SECTION 1

Table of Contents

Table of Contents 1
1. Introduction 1
1.1 Role of Housing Element 1
1.2 Local Need 1
1.3 Housing Element and State Law 2
1.3.1 Background 2
1.3.2 State Requirements 2
1.3.3 Regional Housing Needs Assessment 3
1.3.4 Affirmatively Furthering Fair Housing 3
1.4 General Plan Consistency 5
1.5 Public Participation 5
1.6 Element Organization 8
2. Goals, Policies and Implementation Programs 9
2.1 Housing Opportunities 9
2.2 Quality of Housing 10
2.3 Maintenance and Preservation of Housing 10
2.4 Housing Conservation 11
2.5 Removal of Governmental and Nongovernmental Constraints 11
2.6 Related Goals and Policies 12
2.7 Implementation Programs 13
PROGRAM 1A: Accommodate the City's Regional Housing Needs Assessment Allocation 13
PROGRAM 1B: Monitor Sites Zoned to Accommodate Lower Income Housing 17
PROGRAM 1C: Promote the Development of Accessory Dwelling Units 19
PROGRAM 1D: Develop Programs to Promote and Encourage Accessory Dwelling Units (ADUs) Affordable to Lower Income and Moderate Income Households 21
PROGRAM 1E: Ensure that Adequate Sites Remain Available Throughout the Planning Period 22
PROGRAM 1F: Implement Energy Conservation and Energy Efficiency Opportunities 23
Program 1G: Water and Sewer Service Providers 23
PROGRAM 2A: Continue and Improve Inclusionary Housing Policies 24
PROGRAM 2B: Facilitate Affordable Housing for All Income Levels 25

PROGRAM 2C: Utilize Section 8 Housing Choice Vouchers 28
PROGRAM 2D: Ensure that the Density Bonus Ordinance Continues to be Consistent with State Law 30
PROGRAM 2E: Accommodate Specialized Housing Types to Assist Persons with Special Needs.....32
PROGRAM 2F: Continue Programs to Reduce Homelessness 34
PROGRAM 2G: Manufactured Housing.....35
PROGRAM 3A: Establish Parking Standards Appropriate for Different Kinds of Housing 36
PROGRAM 3B: Modify Regulations that Constrain the Development of Housing 37
PROGRAM 3C: Right to Vote Amendment.....38
PROGRAM 3D: Improve the Efficiency of the Development Review Process for Housing Projects 40
PROGRAM 3E: Review Nongovernmental Constraints Impeding Development of Approved Housing Projects 42
PROGRAM 3F: Seek to Create Community Support for Housing at a Variety of Income Levels.....43
PROGRAM 3G: Monitor Adequacy of Development Standards.....44
PROGRAM 3H: Examining and Mitigating Barriers to Racial and Ethnic Equity 45
PROGRAM 4A: Pursue Opportunities to Create Safe and Healthy Housing.....47
PROGRAM 4B: Assist in Rehabilitating Housing 47
PROGRAM 5A: Affirmatively Further Fair Housing 48
PROGRAM 5B: Reasonably Accommodate Housing for Persons with Disabilities 53
PROGRAM 5C: Economic Displacement Risk Analysis 54
PROGRAM 6A: Monitor “At-Risk” and Publicly Assisted Housing Projects 54
PROGRAM 6B: Continue to Provide Credit under the Inclusionary Ordinance for Preservation of At-Risk Housing 55

1. Introduction

The City of Encinitas Housing Element provides the City with a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing for all within the Encinitas community.

1.1 Role of Housing Element

The Housing Element as part of the Encinitas General Plan is developed to ensure that the City establishes policies, procedures, and incentives in its land use planning and development activities that result in the maintenance and expansion of the housing supply to adequately accommodate households currently living and expected to live in Encinitas. The Housing Element institutes policies that will guide City decision-making and establishes an implementation program to achieve housing goals through the year 2029.

1.2 Local Need

The City is facing some significant challenges when it comes to meeting its housing needs. Housing costs in Encinitas continue to climb, while the availability and variety of housing is lacking. According to HomeDex, a real estate data source for North San Diego County, in November 2019 the median sales price in Encinitas was 55 percent higher than the median sales price for the North County region. At the same time, the City has a growing population, and its existing residents have changing needs.

- Baby Boomers are aging, and the City's senior citizen population (over 60 years in age) is projected to nearly double by 2035. Many seniors will seek to downsize and move into smaller homes in areas with easy access to services, transportation and amenities.
- Millennials have been slower to buy single-family homes than earlier generations. Rising student debt, the cost of housing, and challenges in securing mortgages have contributed to this, but they often want different kinds of housing and neighborhoods than are available today. They are looking for pedestrian and bike-friendly communities with services and amenities nearby.
- According to SANDAG's regional growth forecast, Encinitas can expect an anticipated 11 percent population growth through 2050.

It is important to note that, while accommodating new residential development and providing housing for all economic segments of the community, Encinitas must also plan to provide the infrastructure needed to maintain existing levels of service and to ensure that residential development will not degrade the local environment, including the hillside areas, natural stream channels, and wetlands. All of these areas are viewed by residents as resources worth preserving, and the sites selected for housing preserve these amenities. Another important goal of this element is to ensure that the City embraces the distinct identity and character of its five communities and becomes a place where one can live their entire life with housing for all ages, incomes and abilities. The City envisions itself as a sustainable community that embraces its quality of life through environment, fiscal health, community health and equity. This Housing Element provides policies and programs to address these issues.

1.3 Housing Element and State Law

1.3.1 Background

The Housing Element of the General Plan identifies and analyzes the City's existing and projected housing needs and contains a detailed outline and work program of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing for a sustainable future. The Housing Element is one of the seven mandatory General Plan elements. The Housing Element identifies ways in which housing needs of current and future residents can be met.

1.3.2 State Requirements

California State Housing Element Law (California Government Code Article 10.6) establishes the requirements for the Housing Element of the General Plan. Specifically, Government Code Section 65588 requires that local governments review and revise the Housing Element of their comprehensive General Plans not less than once every eight years.

The California Legislature has determined that a primary housing goal for the State is ensuring every resident has a decent home and suitable living environment. Section 65580 of the Government Code describes the goals in detail:

a. *The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.*

b. *The early attainment of this goal requires cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians in all economic levels.*

c. *The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of the government.*

d. *Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for housing needs of all economic segments of the community.*

e. *The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.*

f. *Designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals and the purposes of this article.*

This Housing Element addresses the 2021-2029 planning period, which extends from April 15, 2021 to April 15, 2029. Because the City did not adopt the 5th Cycle 2013-2021 Housing Element within 120 days of the statutory due date, Government Code Section 65588(e) requires the City to adopt a subsequent mid-cycle update by April 15, 2025.

The Housing Element identifies housing programs aimed at new housing construction, rehabilitation, and conservation of the existing affordable housing stock. This Housing Element builds upon the land use goals and policies which are primarily concerned with where new housing is to be located and at what density it will be constructed. Other concerns of the Housing Element include the identification of strategies and programs that focus on housing affordability, rehabilitation of substandard housing, meeting the existing demand for new housing, eliminating constraints on housing development, affirmatively furthering fair housing, and maintaining an adequate supply of rental housing. The Housing Element includes Appendix A, Public Participation, Appendix B, the Housing Profile Report, and Appendix C, the Adequate Sites Inventory, each of which contains certain required Housing Element components.

1.3.3 Regional Housing Needs Assessment

Section 65583 of the Government Code sets forth the specific components of a jurisdiction's housing element. Included in these requirements is an obligation on the part of local jurisdictions to provide their "fair share" of regional housing needs. Local governments and Councils of Governments (COGs) are required to determine existing and future housing needs and the total needs for the region must be approved by the California Department of Housing and Community Development (HCD). Encinitas is a member of the San Diego Association of Governments (SANDAG), and SANDAG is responsible for preparing the Regional Housing Needs Allocation (RHNA) for San Diego County. This Housing Element provides sites adequate to accommodate the City's fair share, as determined by SANDAG.

1.3.4 Affirmatively Furthering Fair Housing

Section 65583 of the Government Code requires that the Housing Element contain a program that affirmatively furthers fair housing opportunities and promotes housing throughout the community for all persons. In order to make adequate provision for the housing needs of all economic segments of the community, the Housing Element should include an assessment of fair housing (See Appendix B, Section 6.4) and the identification of the City's fair housing goals, objectives and actions.

In accordance with state fair housing and housing element law, the City intends to affirmatively further fair housing choice and promote equal housing opportunity. The City collaborates with other jurisdictions in San Diego County through the San Diego Regional Alliance for Fair Housing (SDRAFFH), to prepare the San Diego County Analysis of Impediments to Fair Housing Choice (AI) every five years. In June 2020, City Council approved the FY 2020-2025 San Diego Regional AI. The AI identifies impediments that may prevent equal housing access and develops solutions to mitigate or remove such impediments. Encinitas' Sixth Cycle Housing Element Appendix B references analyses from the FY 2020-2025 AI in order to identify potential impediments to housing that are specific to Encinitas, in addition to using other analyses.

To address impediments to fair housing, the AI recommends a number of actions that apply locally and throughout San Diego County. Some of the most significant recommended actions are as follows and the City has incorporated into its programs:

- Promote the Housing Choice Voucher program to rental property owners, in collaboration with the various housing authorities in the region. (Programs 2C, 5A)

- Increase housing options for special needs populations, including persons with disabilities, senior households, families with children, farmworkers, the homeless, etc. (Programs 2E, 2F)
- Conduct random fair housing testing on a regular basis to identify issues, trends, and problem properties. Expand testing to investigate emerging trends of suspected discriminatory practices. (Program 5A)
- Diversify and expand the housing stock to accommodate the varied housing needs of different groups. (Programs 1D, 2B, 2E, 2F & 4B)
- Conduct frequent workshops with targeted population to allow for meaningful discussions and dissemination of useful information. (Program 5A)
- Work collaboratively with local housing authorities and affordable housing providers to ensure affirmative fair marketing plans and de-concentration policies are implemented. (Programs 2C & 5A)

In accordance with Government Code Sections 65583 and 8899.50, The City is taking meaningful actions to affirmatively further fair housing through the following Housing Element programs and activities:

- Programs 1C & 1D: Promote the development of Accessory Dwelling Units (ADU) and incentives for ADUs available for lower income households.
- Program 2A: Implement citywide inclusionary requirements to ensure that affordable units are available throughout the community and evaluate effectiveness.
- Program 2B: Identify and work with developers to increase the availability of affordable housing in the City.
- Program 2B: Maintain existing publicly owned affordable housing occupied by low-income households.
- Program 2B: Facilitate affordable housing for all income levels by exploring funding opportunities for assisting lower-income first-time homebuyers with financing and allocating funds to creation of affordable units.
- Program 2C: Continue administering rental assistance programs (e.g., Section 8 vouchers) and explore new opportunities.
- Program 2E: Accommodate specialized housing types and update the City's policies and procedures regarding low barrier navigation centers and supportive housing.
- Program 2F: Continue to sponsor or assist emergency shelter facilities as well as encourage or support services to individuals experiencing homelessness.
- Program 3F: Seek to create community support for housing at a variety of income levels through development of relationships with local and regional organizations and through targeted outreach.
- Program 3H: Examine and mitigate barriers to racial and ethnic equity.

- Program 4B: Continue the Residential Rehabilitation Program to provide grants or low interest, deferred, or forgivable loans that preserves units at affordable levels.
- Program 5A: Take affirmative actions to further fair housing choice in the City, and implement the solutions developed in the Regional Analysis of Impediments to Fair Housing Choice to mitigate and remove fair housing impediments.
- Program 5A: Continue to contract with a fair housing service provider to review housing discrimination complaints and expand fair housing testing to ensure compliance with state and federal laws.
- Program 5A: Educate about fair housing resources, challenges, and solutions through a variety of media and outreach methods.
- Program 5A: Work collaboratively with local housing authorities and affordable housing providers to ensure affirmative fair marketing plans and de-concentration policies are implemented.
- Program 5B: Educate public and staff on reasonable accommodations for housing persons with disabilities.
- Program 5C: Conduct a Displacement Risk Analysis to identify the local conditions that lead to displacement and develop and implement an action program based on the results.
- Program 6A: Monitor at-risk and publicly assisted housing projects and explore opportunities to purchase or replace at-risk units.

1.4 General Plan Consistency

The Housing Element is one of seven elements of the Encinitas General Plan and must be consistent with all of those elements. The Land Use Element, for instance, establishes the location, type, intensity and distribution of land uses throughout the City, and the presence and potential for jobs affects the current and future demand for housing at the various income levels in the City. The Circulation Element is designed to provide transportation facilities that can accommodate all planned development in the City.

As part of the adoption of the Housing Element, the City will modify policies in other elements if needed to achieve internal General Plan consistency.

1.5 Public Participation

Section 65583(c)(9) of the Government Code states that, "The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." Meaningful community participation is also required in connection with the City's Assessment of Fair Housing (AFH). A discussion of citizen participation is provided below and in more detail in Appendix A.

The City of Encinitas 5th Cycle Housing Element Update was completed and certified by HCD in October 2019. As part of the 5th Cycle Housing Element Update process, the City conducted extensive public outreach activities beginning in 2014.

Much of the information collected during these outreach activities is valid and applicable to the 6th Cycle Housing Element Update. Outreach efforts for the 5th Cycle included presentations to community groups, City Council and Planning Commission study sessions, numerous meetings with a Housing Element Update Task Force, community workshops, digital media, numerous mailers, newspaper ads, and noticed public hearings.

As part of the 6th Cycle Housing Element Update, the City conducted additional outreach to the Encinitas community, including the following actions:

- **Community Workshop #1 –** The city conducted a community workshop on November 18, 2019 at City Hall. The session provided an overview of the planning process and the City's RHNA obligations and engaged in an interactive exercise to identify local housing issues and potential solutions.

  The first workshop was also recorded and provided on the City's website to allow additional opportunities to participate. The City provided an online feedback form with the identical information provided at the workshop. A summary of input received, and the questions and responses are available on the project webpage in Spanish and English.

- **Community Workshop #2 –** A second community workshop was conducted on February 10, 2020 at the Encinitas Community Center, where the consultant presented the City's progress in preparing the 2021-2029 Housing Update (6th Cycle), the application of recent housing-related state law, and additional information relating to policies and programs proposed to be included within the 6th Cycle Housing Element. Following the presentation, the attendees were asked to participate in focused discussions on accessory dwelling units, development of housing for all income levels, governmental and non-governmental constraints, and fair housing issues and challenges The City provided the presentation and summary of input received (Spanish and English) on the project webpage.

- **Joint City Council/Planning Commission Study Session –** A joint work session was held on December 11, 2019 before the City Council and Planning Commission. This publicly noticed meeting discussed the 6th Cycle Update process and allowed the City's decision-makers to review data, receive public comment, and provide direction to staff on the content and policy of the Housing Element.

- **City Council Study Session –** A virtual study session was held on November 16, 2020 before the City Council. This publicly noticed meeting discussed the status of the Sixth Cycle Update and allowed the City's decision-makers and the public to review the HCD's comments and proposed responses, receive public comment, and provide direction to staff on the draft modifications to the Programs contained in the Housing Element.

- **Affordable and Fair Housing Questionnaire** - In May 2020, the City of Encinitas released a questionnaire to obtain feedback about incentives, programs, and actions to encourage development of affordable housing; common barriers to obtaining housing; fair housing issues or challenges the City's Housing Element should address; and challenges to building community awareness about fair housing.

- **Affordable and Fair Housing Questionnaire II**- In December 2020, the City of Encinitas released a second questionnaire to obtain additional information about housing

constraints, programs, and actions to encourage development of housing at all affordability levels; fair housing issues or challenges in the City; and impediments and incentives for constructing Accessory Dwelling Units. The survey was available is Spanish and English and circulated online and made available in paper upon request.

- **Housing Element Update Fact Sheets –** A series of "fact sheets" were developed for public consumption. The fact sheets provide relevant information about the update process, key features of the housing element and a calendar of events for outreach activities. The fact sheets were made available to the public on the City's project webpage, at public workshop, and at City Hall. The Fact Sheets are available in Spanish and English on the project webpage. ***[Note: The second fact sheet to be completed prior to adoption.]***

- **Website –** A project webpage for the housing element update is located on the City's website at: https://encinitasca.gov/I-Want-To/Housing-Plan-Update/Housing-Update-2021-2029. All versions of the Housing Element are available on the website, along with a link to sign-up for updates, and information on the process to date.

In addition, to the 6th Cycle Housing Element Update, the City conducted additional outreach to the Encinitas community, including the following actions:

- **Consolidated Action Plan** - The Consolidated Action Plan is a five-year planning document that identifies needs within low-to moderate- income (LMI) communities and outlines how the City will address those needs. It guides investments and helps achieve HUD's mission of providing decent housing, suitable living environments, as well as expanded economic opportunities for LMI populations. During the development of the Consolidated Plan, two community meetings were held at the Encinitas Library in October 2019, with 38 community members who provided feedback on what they identified as the City's most pressing community needs. In addition, a community needs survey was offered in English and Spanish in both online and hard-copy format.

- **Special Fair Housing Outreach –** In addition to the Housing Element workshops, community workshops, targeted stakeholder interviews to service providers and local organizations, and a fair housing survey was conducted in Spanish and English as part of the development of the San Diego Regional Analysis of Impediments to Fair Housing. Public notice and additional outreach for the community workshop and surveys were circulated through local service providers and made available on the City's Fair Housing webpage and at City Hall.

- **Public Housing Agency Plan** - In Winter 2020, the City conducted public outreach prior to the adoption of the FY 2020-25 Public Housing Agency Plan by the Housing Authority Board which included outreach to Section 8 tenants and landlords and a Resident Advisory Board Meeting that included tenant representatives from the Program. The 5-Year PHA Plans provides the City of Encinitas Public Housing Agency's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low-income families.

The City has made a concerted effort to outreach to all stakeholders and encourage participation throughout the Housing Element process. The following is a summary of outreach methods:

- City posted a public notice at City Hall and in the local paper for every workshop and public meeting. Public notice information is shared through Nextdoor, Facebook, direct email to contact list, and City e-newsletter.
- In January 2020, the City sent a citywide mailer to all property owners and residents in the City with information on the Housing Element, staff contact information, how to register to receive updates and notice of a February public workshop.
- Questionnaire I and Questionnaire II with information on the Housing Element were sent to organizations and entities, requesting assistance in forwarding information to their constituents. Local organizations and groups include but are not limited to Cardiff and Encinitas school districts, Keys 4 Homes, Encinitas 4 Equality, Faith in Action, and Los Angelitos de Encinitas, Inc. Questionnaire II was made available in English and Spanish.
- Information on how to complete Questionnaire II and the Housing Element was mailed to all affordable units and Section 8 program participants and landlords/property managers. Emails were also sent to property managers of multi-family properties requesting them to forward the information, provided in English and Spanish, to their residents.
- Paper copies of the Housing Element and Questionnaires were mailed to all requestors.

During HCD's first 60-day public review, the City solicited comments on the Draft Sixth Cycle Housing Element. Comments were received from eleven individuals and six organizations or interest group including Encinitas 4 Equality, Keys 4 Homes, San Dieguito Alliance for a Drug Free Youth, San Diego Housing Federation, Faith in Action, and Encinitas Residents for Responsible Development. As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public have been provided to each member of the City Council.

The City solicited additional comments on the Draft Sixth Cycle Housing Element during HCD's second 60-day public review. The City will continue to accept comments on the document through adoption.

Appendix A contains a summary of all public comments and input regarding the Housing Element received by the City at scheduled public meetings, surveys, questionnaires, and during the public review period. The Appendix has been provided to the City Council. ***[Note: This section to be updated prior to adoption to include additional public meetings and outreach.]***

1.6 Element Organization

This Encinitas Housing Element is comprised of the following sections:

- **Section 1: Introduction and Housing Element Goals, Policies and Implementation Programs** contain the Housing Element background and the requisite policies and programs to address housing need in the community.
- **Appendix A: Summary of Community Engagement** provides a summary of the community engagement activities that have occurred throughout the development of the Housing Element document.

- **Appendix B: Housing Profile Report** provides the required demographic analysis, needs, constraints, and other analyses required by state law.
- **Appendix C: Adequate Sites Inventory** provides an inventory of sites to meet the estimated RHNA need throughout the planning period.

2. Goals, Policies and Implementation Programs

This section of the Housing Element contains the goals and policies the City intends to implement to address important housing-related issues. The following three major issue areas are addressed by the goals and policies of the Housing Element:

- ensure that a broad range of housing types are provided to meet the needs of both existing and future residents;
- ensure that housing is both sound and safe for occupants; and
- ensure that the existing housing stock is maintained and preserved.

Each issue area and the supporting goals and policies are identified and discussed in the following section. In addition, housing programs that implement each goal and policy are summarized in a table located at the end of this section.

2.1 Housing Opportunities

The City wants to encourage the construction of new housing units that offer a wide range of housing types to ensure that an adequate supply is available to meet existing and future needs. The maintenance of a balanced inventory of housing in terms of unit type (e.g. single-family, multiple-family, etc.), cost, and style will ensure that the existing variety is maintained. Each of the five communities has a distinct character due in large part to the nature of their existing residential neighborhoods. New housing constructed in the City should be compatible in design with the surrounding neighborhood in particular and the community in general. The diverse make-up of the City with its five distinct communities will continue to attract a wide variety of people. The City has also made a strong and firm commitment that fair housing practices will continue in Encinitas and that it will affirmatively further fair housing.

GOAL 1: THE CITY WILL ENCOURAGE THE PROVISION OF A WIDE RANGE OF HOUSING BY LOCATION, TYPE OF UNIT, AND PRICE TO MEET THE EXISTING AND FUTURE HOUSING NEEDS IN THE REGION AND CITY.

POLICY 1.1: Strive to maintain a balance of housing types in the City.

POLICY 1.2: Strive to provide a wide variety of housing types so that a range of housing needs and types will be made available to existing and future residents.

POLICY 1.3: When existing single-family residential units are replaced, they should be replaced with units that are compatible in design with the surrounding residential neighborhood as planned by the City.

POLICY 1.4: Provide opportunities for low- and moderate-income housing in all five communities in the City and ensure that its location will not tend to cause racial segregation

and will provide access to areas of high opportunity. Require that such housing should be high quality in terms of design and construction without sacrificing affordability.

POLICY 1.5: Utilize available federal, state, and local financing sources and subsidies to assist in the development of lower and moderate-income housing and housing serving special needs, such as farmworkers, persons with disabilities, and extremely low-income persons.

POLICY 1.6: Encourage retention of all existing mobile home parks to the extent permitted by applicable state law.

POLICY 1.7: Coordinate with local social service providers to address the needs of the City's homeless population and to provide housing suitable for special needs populations, including seniors, large families, the disabled, and farmworkers.

POLICY 1.8: Continue to provide assistance to agencies that ensure that the provisions of the federal and state laws that prohibit housing discrimination are enforced.

POLICY 1.9: Support ongoing efforts of the state and federal agencies and local fair housing agencies to enforce fair housing laws, as well as regional efforts to affirmatively further fair housing.

2.2 Quality of Housing

New housing opportunities in the City must be made available to all persons.

GOAL 2: SOUND HOUSING WILL BE PROVIDED IN THE CITY OF ENCINITAS FOR ALL PERSONS

POLICY 2.1: Encourage developers to provide a balance of housing types and sizes.

POLICY 2.2: Adopt policies, including development fees, to ensure that there is adequate infrastructure and public facilities required to serve new housing.

POLICY 2.3: Allow for cluster-type housing and other innovative housing design that provides adequate open areas around and within these developments.

POLICY 2.4: Coordinate the provision of open areas in adjoining residential developments to maximize the benefit of the open space.

POLICY 2.5: Encourage street planting, landscaping, and undergrounding of utilities.

POLICY 2.6 Encourage high standards of design, materials, and workmanship in all construction and developments.

POLICY 2.7: Discourage residential development of steep slopes, canyons, and floodplains.

POLICY 2.8: Continue to develop and promote energy efficiency conservation measures consistent with the strategies outlined in the City's Climate Action Plan.

2.3 Maintenance and Preservation of Housing

Substandard and deteriorating housing units, in addition to the obvious problems of blight, can expose occupants to a wide range of hazards ranging from electrical fire to exposure to toxic substances used in construction. Many factors can determine the "life expectancy" of a dwelling, including quality of workmanship, age, type of construction, location, and numerous other factors.

A major focus of this Housing Element is to provide goals and policies which underscore the City's commitment to ensure that the existing housing stock in the five communities is maintained.

GOAL 3: THE CITY WILL ENCOURAGE THE MAINTENANCE AND PRESERVATION OF THE EXISTING HOUSING STOCK AS WELL AS QUALITY DESIGN IN NEW HOUSING.

POLICY 3.1: Where determined to be dangerous to the public health and safety, substandard units in the City shall be repaired so that they will comply with the applicable building, safety and housing codes. When compliance through repair is not or cannot be achieved, abatement of substandard units shall be achieved.

POLICY 3.2: Enforce the building, safety and housing codes through active code enforcement efforts.

POLICY 3.3: Continue to apply for and support existing available federal state and local housing programs which provide housing assistance. These include assistance to property owners that can demonstrate financial need in the upgrading of their substandard units. Continue existing city programs for housing rehabilitation, and work to obtain additional external funding.

2.4 Housing Conservation

The City's existing housing stock includes units which are affordable to very low, low, and moderate-income households. A significant part of the City housing focus is on these existing affordable units, and how to ensure their continued affordability. Of particular concern are projects which were government-subsidized when built, in return for units being rent-restricted to be affordable. With passage of time, some deed-restricted affordable units may be subject to being converted to market-rate rental units by the expiration or pre-payment of the government subsidy arrangement. State law requires that local housing elements address the status of these "units at risk." The City is committed to doing what it can so that affordable units remain affordable to target-income households.

GOAL 4: THE CITY WILL ATTEMPT TO ENSURE THE CONTINUED AFFORDABILITY OF DEED-RESTRICTED AFFORDABLE UNITS.

POLICY 4.1: The City will continue to develop necessary actions to attempt to ensure the continued affordability of affordable "units at risk" of conversion to market rate units due to expiration of use restrictions, affordability covenants, or funding subsidies.

2.5 Removal of Governmental and Nongovernmental Constraints

GOAL 5: THE CITY WILL DEVELOP STRATEGIES AND ACTIONS TO REDUCE OR ELIMINATE GOVERNMENTAL AND NON-GOVERNMENTAL CONSTRAINTS TO THE DEVELOPMENT OF HOUSING.

POLICY 5.1: The City periodically evaluates adopted zoning provisions, entitlement procedures, fees and other city requirements that may create constraints to the development of housing and will implement policies to reduce or eliminate those constraints.

POLICY 5.2: The city will monitor non-governmental constraints, such as interest rates, construction costs, and others through consultation with developers, lenders and other entities

directly involved in the provision of housing. Should non-governmental constraints be identified that are related to City policies, the City will modify its policies and procedures if City actions may help to reduce those constraints.

2.6 Related Goals and Policies

As required by state law, the Land Use Element sets standards for permitted uses and for residential density, thereby affecting housing opportunity in Encinitas. In addition, the Land Use Element contains policies directed at maintaining the existing housing stock, as well as ensuring the quality of new residential development. The Circulation Element contains policies to minimize roadway traffic into residential neighborhoods, and the Noise Element sets forth policies to minimize the level of noise in neighborhoods. The Resource Management Element establishes development standards to minimize the impact of residential development on sensitive resources, such as hillside areas, ecological habitat, and scenic view sheds. Finally, the Public Safety Element sets forth policies to ensure the safety of the City's housing stock through such measures as code enforcement, and mitigation of environmental hazards as a condition to development.

Table 2-1: Housing Policy Matrix depicts General Plan elements that support the goals of the Housing Element.

Table 2-1: Housing Policy Matrix

Issue Area	Land Use	Circulation	Resource Mgmt.	Noise	Public Safety
Housing Opportunities	X	X			X
Housing Quality	X				
Maintenance and Preservation	X	X	X	X	X
Housing Conservation	X				X

While each of the Encinitas General Plan Elements is independent, the Elements are also interrelated and must be consistent with each other. Certain goals and policies of each element may address issues that are primary subjects of other elements. This integration of issues throughout the General Plan creates a strong basis for the implementation of plans and programs and achievement of community goals.

The City will ensure internal consistency among the various elements in accordance with state planning law. This Housing Element builds upon other General Plan elements and is entirely consistent with the policies and proposals set forth by other elements of the General Plan. The City will ensure that future amendments to other elements in the General Plan remain consistent with the Housing Element.

2.7 Implementation Programs

The programs below identify the actions that will be taken to make sites available during the planning period with appropriate General Plan, Specific Plan, zoning and development standards and with services/facilities to accommodate the City's share of regional housing need for each income level.

PROGRAM 1: ADEQUATE SITES

PROGRAM 1A: Accommodate the City's Regional Housing Needs Assessment Allocation

The City of Encinitas has been assigned a total Regional Housing Needs Allocation (RHNA) of 1,554 dwelling units for the 2021-2029 Planning Period. The breakdown of the RHNA is as follows:

TABLE 2-2: CITY OF ENCINITAS RHNA ALLOCATION 2021-2029	
INCOME CATEGORY	**RHNA**
Very Low	469 units
Low	369 units
Moderate	308 units
Above Moderate	408 units
TOTAL	**1,554 units**

The very low-income category is estimated to consist of a need for 235 extremely low-income units and 234 low-income units.

The "projection period" (the period for which the RHNA was calculated) in San Diego County began on June 30, 2020. Table 2-3 shows the City's progress in meeting its RHNA obligations through October 30, 2020 in all income categories, including both building permits issued and projects with discretionary entitlements.

TABLE 2-3: RHNA PROGRESS JUNE 30, 2020 TO DECEMBER 31, 2020				
INCOME CATEGORY	**RHNA**	**Units Under Construction***	**Projects Approved****	**Remaining RHNA**
Very Low/ Low	838 units	441	747	74790
Moderate	308 units	494		25964
Above Moderate	408 units	17669	107326	132(94)
TOTAL	**1,554 units**	**26954**	**114373**	**1,186912**

*This includes all units under construction as of June 30 with active building permits and building permits issued from July 1, 2020 through December 31, 2020. ADUs under construction are assumed to be available at affordable levels based on the results from the 2018 and 2019 survey data. Of the 8593 affordable units, 5 of these units have been issued building permits that are deed restricted and the remainder are ADUs.

**See list of approved projects in Appendix C that have entitlements but have not been issued building permits. This list includes the recently approved Housing Element site, Echter Property. Of the 115 373 units, 47 units have been approved as lower income housing under the City's density bonus or inclusionary ordinance and are required by conditions of approval to be deed restricted.

The City has identified adequate sites with appropriate zoning to accommodate the remaining RHNA and to accommodate the need for groups of all income levels as required by State Housing Element Law. Appendix C lists sites suitable for meeting the City's remaining need for all income levels. These sites can accommodate the need for housing at these income levels without the need for rezoning, as shown in Appendix C and summarized as follows:

TABLE 2-4: REMAINING MODERATE AND ABOVE MODERATE INCOME RHNA OBLIGATION				
INCOME CATEGORY	**2021-2029 REMAINING RHNA**	**SUITABLE SITE CAPACITY**	**ACCESSORY DWELLING UNITS**	**EXCESS CAPACITY**
Very Low/ Low	74790 units	1,6011,355 units	250 units	1,061858 units
Moderate	25964 units	518 units	300 units	5594 units
Above Moderate	132(94) units**	207 units	450 units	525751 units
TOTAL	**1,186912 units**	**2,326 2,080 units**	**1,000 units**	**2,1402,168 units**

*Based on comprehensive survey of ADUs completed April 30, 2018, surveys of new ADUs receiving building permits and approved for occupancy, current rate of construction, and modifications to the ADU ordinance, projects that the City will issue an estimated 800 permits total for second dwelling units (of which 200 will be counted as units that accommodate lower income households). The April 2018 survey effort revealed that 24.6 percent of the second units granted permits since January 1, 2010 were rented at levels affordable to very low- and low-income households. See additional discussion in Appendix B.

**As of February 2021, the units under construction and approved projects exceed the City's RHNA for above moderate-income units.

In addition to the available sites, the City has implemented a very active accessory dwelling unit (ADU) program that averaged 77 units per year in 2017 and 2018 and issued 103 building permits for new ADUs in 2019 and 12916 units in 2020. Additionally, the City approved ADU applications

for over 200 units in both 2019 and 2020. The City estimates that at least 125 ADUs per year will be permitted in the sixth cycle, or 1,000 units total. Of these, based on City surveys (discussed in Program 1C), 250 ADUs are estimated to be affordable to lower income households, 300 ADUs to be affordable to moderate income households, and the remaining 450 ADUs to be affordable to above moderate-income households, providing substantial additional capacity to meet the City's RHNA. The estimated 250 ADUs affordable to lower income households will result in a total buffer of at least ~~1,061~~858 units, over 100 percent of the City's 838-unit RHNA obligation.

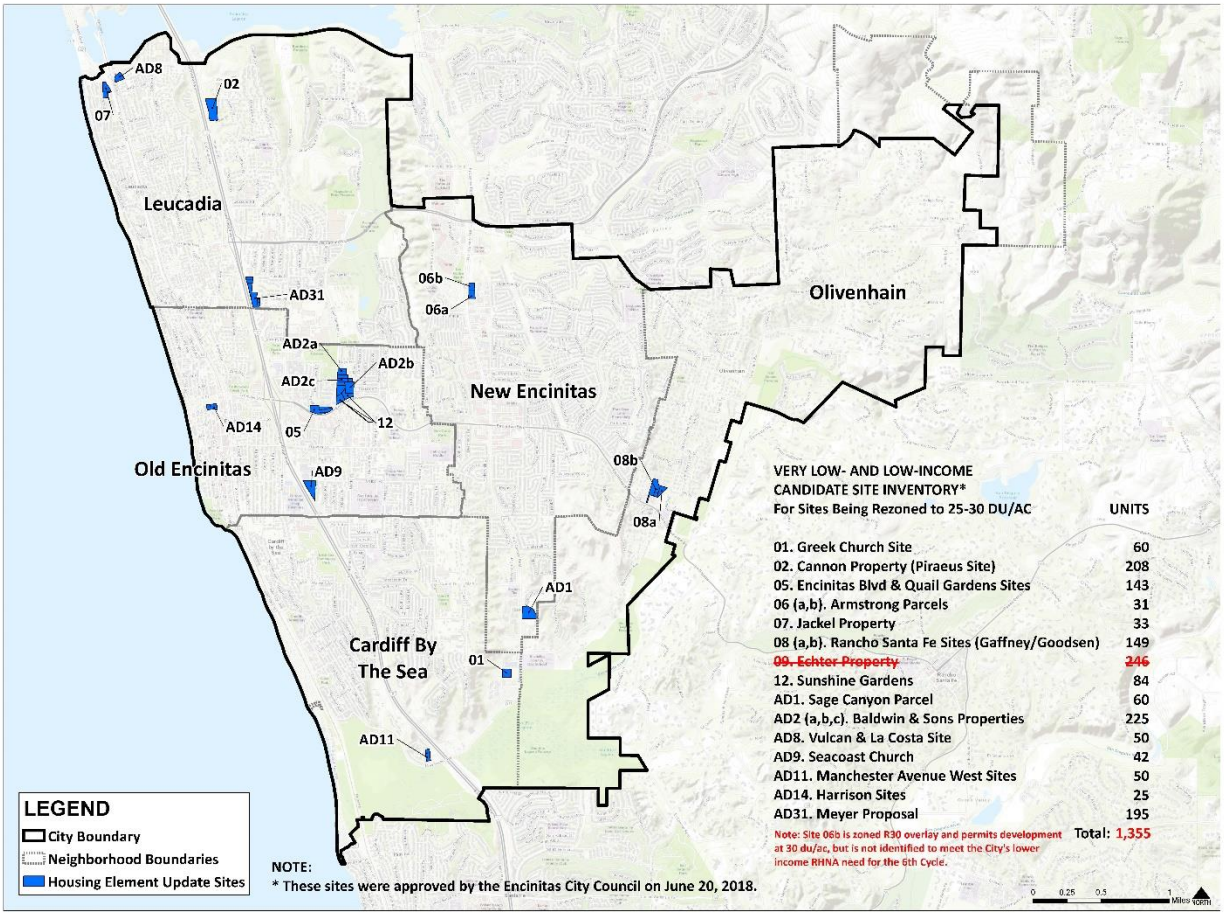
The City has also identified those sites identified to meet the very low and low-income RHNA need listed in **Table 2-5** and shown on **Figure 2-1**, the Housing Strategy Map; and further described in Appendix C.

TABLE 2-5: SITES AVAILABLE TO MEET 2021-2029 VERY LOW AND LOW INCOME RHNA

Site Number	Site Name	Gross Acreage	Net Acreage	Unit Yield
Vacant Sites				
02	Cannon Property (Piraeus)	6.93	6.93	208
05	Encinitas Blvd & Quail Gardens Sites	4.91	4.78	143
06a	Armstrong Parcels	1.92	1.06	31
08a	Rancho Santa Fe Parcels	1.75	1.45	36
AD1	Sage Canyon Parcel	5.23	2.40	60
AD2a	Baldwin & Sons Properties	3.14	2.98	74
AD2b	Baldwin & Sons Properties	6.66	4.86	121
Subtotal		*30.54*	*24.46*	*673*
Non-vacant Sites				
01	Greek Church Parcel	2.50	2.00	60
07	Jackel Properties	2.97	2.97	33[1]
08b	Rancho Santa Fe Parcels	4.88	4.57	113
~~09~~	~~Echter Property~~	~~21.49~~	~~9.85~~	~~246~~
12	Sunshine Gardens Parcels	3.39	3.39	84
AD2c	Baldwin & Sons Properties	1.79	1.21	30
AD8	Vulcan & La Costa	2.00	2.00	50
AD9	Seacoast Church	4.45	1.41	42
AD11	Manchester Avenue West Sites	1.67	1.67	50
AD14	Harrison Sites	1.91	1.91	25[1]
AD31	Meyer Proposal	6.62	6.52	195
	Subtotal	*~~53.67~~32.18*	*~~37.50~~27.65*	*~~928~~682*
	Total	**~~84.21~~62.72 acres**	**~~61.96~~52.11 acres**	**~~1,601~~1,355 units**

1. Unit Yield anticipates that this site will be developed for mixed-use.

FIGURE 2-1: HOUSING STRATEGY MAP – VERY-LOW AND LOW-INCOME SITES



The City has identified privately owned sites accommodating ~~1,601~~1,355 units to meet the 838-unit very low and low-income RHNA need for the planning period pursuant to Government Code Section 65583.2. This exceeds the RHNA lower income obligation of 838 units by ~~763~~517 units (~~91~~62 percent), providing an adequate buffer in consideration of the "no net loss" requirement under Government Code Section 65864, requirements of Section 65583.2 for determining site capacity, and the desire to provide some flexibility for future development to property owners. The capacity of vacant sites is 673 units, which is 80 percent of the City's total lower income RHNA. The City recognizes that at some point in the planning period it is possible that "no net loss" requirements will mandate that additional sites be designated for lower income housing. In that case, the City will comply with Program 1E to ensure that adequate sites remain available throughout the planning period.

The sites selected also affirmatively further fair housing. All census tracts in the City are shown on the 2020 Tax Credit Allocation Commission Opportunity Map and proposed 2021 Map as areas of highest resource or high resource. Sites are located in all five communities and in all portions of the City. No part of the City is designated as an area of high segregation and poverty. As described in Appendix B, the City of Encinitas is predominantly white, with the white population comprising 88.7 percent of

the City's population. There is no concentration of other racial or ethnic groups in the City that would constitute a highly similar and segregated area, and, as a consequence, the designated sites will not increase segregation in the City. Since the City has adequate capacity to accommodate the moderate and higher income RHNA categories of housing units, no zoning changes associated with this Housing Element update will occur on properties that are already zoned for those types of housing units.

State law requires that any non-vacant sites identified in a prior housing element must be zoned at 30 units per acre and allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households, if they are to be considered adequate for lower income housing. All the non-vacant sites shown to be suitable for lower income housing in **Table 2-5** were also identified in the Fifth Cycle Housing Element. As discussed under Program 1B, the City in March 2019 rezoned each of these sites to permit 30 units per acre and to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households. Because this zoning complies with state law, no additional rezoning program is required.

Funding:	• Development Services Department budget • City Clerk Department budget
Responsible Agencies:	• Development Services Department • Planning Commission • City Council
Objectives:	• Maintain internal consistency with all General Plan elements. • Make available the sites inventory to interested developers.
Timeframe:	• Adoption of Housing Element by April 15, 2021.

PROGRAM 1B: Monitor Sites Zoned to Accommodate Lower Income Housing

In March 2019, the City of Encinitas adopted Zoning Code Amendments to provide the necessary development standards and entitlement procedures appropriate for units affordable to lower income households and applied those standards to sites designated for lower income housing. These rezoned sites provide the adequate sites to accommodate the lower income RHNA growth need for the City's 2021-2029 Housing Element. The California Coastal Commission approved the Zoning Code Amendments in September 2019.

The Zoning Code allows for by-right development of housing up to 30 dwelling units per acre and provides the necessary development standards and entitlement procedures to ensure that density can be achieved. 'By right' approval is specified for projects containing at least 20 percent lower income housing and not including a subdivision, as required by Government Code Sections 65583.2(c), (i), and (h), and to prevent displacement caused by new construction, replacement affordable housing is mandated on **all** sites identified in the Housing Element as required by Government Code Section 65583.2(g)(3). Under 'by right' approval, local design review for qualifying housing development projects is exempt from review under the California Environmental Quality Act, and only design review approval and a coastal development permit

(for projects in the coastal zone) are required, as specified in Chapter 30.09.010, Note 35. The City reviews these applications for conformance with adopted general plan, zoning, subdivision, and objective design standards. The City cannot deny or reduce the density of a housing development project that conforms with all objective standards unless the project causes a "specific adverse impact" as defined in Government Code Section 65589.5.

To ensure these sites continue to provide viable opportunities to accommodate lower income households, the City will annually review the appropriateness of development standards and entitlement procedures to ensure they do not create impediments to the development of housing for lower income households as identified in Program 3D. In addition, as identified in Program 3B, the City is developing objective design standards for all multi-family housing development. Until the objective design standards are adopted, the City will apply existing objective standards to all housing development applications, including those on R-30 sites. The City has also developed a detailed application form and completeness checklist to provide guidance to applicants and has met all timelines for review established by the Permit Streamlining Act.

If existing adopted provisions, standards or other regulatory features are found to be an impediment to the development of housing for lower income households, the City will propose and implement additional provisions that further encourage the development of housing for lower income households to the extent consistent with State law within one year. To date, however, most projects proposed on housing strategy sites have proposed more units than allocated in **Table 2-5**, as further discussed in Appendix C, indicating that the City's development standards are not an impediment to housing development.

Environmental review will still apply to future development projects on the Housing Strategy Map unless, as required by State law, the project includes 20 percent low-income units and does not include a subdivision. Residential projects throughout the City may tier from the Measure T Housing Element's Program Environmental Impact Report (EIR) or utilize the mitigation measures included in the Environmental Assessment completed for the Fifth Cycle Housing Element Update. While the Environmental Assessment is not an EIR, it has been incorporated into the general plan, as required by State law, and contains objective environmental standards that all projects must comply with and that may mitigate environmental impacts for projects subject to environmental review.

The City applied for and received SB-2 Grant funds to retain a contract planner to assist existing staff to free-up an experienced Principal Planner to focus on applications for the identified R-30 sites. These will be the highest density housing allowable in Encinitas, which will require an experienced and seasoned staff planner to process these new and complex applications. The City continues to meet all timelines required by Permit Streamlining Act.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • Planning Commission • City Council
Objectives:	• Monitor sites zoned to accommodate lower income units to ensure these sites continue to be viable opportunities to accommodate lower income households.

	• Review provisions, standards or other regulatory features for constraints on housing development and amend within one year of the identification of a constraint as stated in Program 3B.
Timeframe:	• Annual Monitoring • Annual Updates, as appropriate

PROGRAM 1C: Promote the Development of Accessory Dwelling Units

Accessory dwelling units (ADUs) help meet the City's housing needs for all income levels and also provide a housing resource for seniors, students, and low- and moderate-income households in Encinitas. The City will continue to apply Zoning Code regulations that allow accessory units (also known as second units or granny flats) by right in all residential zones, in accordance with State law.

Between January 1, 2010 and December 31, 2020, the City's ADU ordinance resulted in the construction of 448 new units. Of these units, 154 were constructed in 2017 and 2018, an average of 77 per year, with 103 ADUs permitted in 2019 and 116 ADUs permitted in 2020. The City received applications for over 200 ADUs in both 2019 and 2020, although about only half obtained building permits.

Of the 448 new units, thirty were deed-restricted for very low and low-income households. The City surveys building permit applicants regarding their intended use and rents for all new dwelling units to track affordability levels of all newly constructed housing units, including recently constructed ADUs. In 2019, according to the surveys received, of the 103 permits issued for ADUs, 20 percent were being offered at rents affordable to very low and low-income households, 30 percent to moderate households, and 50 percent to above moderate households. This is consistent with the 2018 survey results that identified 25 percent of the ADUs being offered to very low and low-income households and an increase in the amount offered at a moderate income. See Appendix B for more information on ADU construction.

After passage of new State ADU laws effective January 1, 2017 and January 1, 2020, the City applied State standards in evaluating ministerial applications for ADUs and has adopted ordinances consistent with State law. The City's ADU and junior accessory dwelling unit (JADU) ordinances adopted in March 2018 contain numerous provisions that go beyond State law to encourage ADU and JADU construction:

- An owner may construct both an ADU and a JADU on one lot (regardless of the type of ADU).
- ADUs may have a maximum size of 1,200 sf so long as they do not exceed the floor area of the primary dwelling unit.
- Floor area ratios and lot coverage may be increased on lots less than 10,000 sq. ft.
- Development fees are waived entirely.

In February 2019, the City completed its 'Permit Ready' program for ADUs (PRADU). As a part of the program, staff and contract architects prepared packages of pre-approved designs for ADUs

that may be used by owners and that provide expedited processing and reduced costs for applicants. The City has found that use of the 'Permit Ready' program has reduced processing times by 25 percent. The City received the prestigious statewide Helen Putnam Award from the California League of Cities for the program and has received inquiries from over 60 cities.

Municipalities and housing groups around the state are currently in the process of developing their own permit ready programs based on the Encinitas PRADU model. As groups complete their plans, the City intends to explore to the creation of a statewide collection of all permit ready plans that could then be shared.

The City of Encinitas will continue to amend the ordinance based on future changes to State law and work with HCD to ensure continued compliance with State Law. The City will also continue to monitor the extent of ADU production to ensure that the ordinance modifications are successful and that the Housing Element goals can be met. In particular, the City is conducting a study to determine why only about half of approved ADUs obtain building permits; issues with financing and availability of contractors may be obstacles. In addition, the City will continue to explore the availability of prefabricated modular housing, tiny homes and micro-units that may be suitable for ADUs, with the intent of providing additional information to interested homeowners.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • Planning Commission • City Council • California Coastal Commission
Objectives:	• Amend the accessory unit ordinance if needed to conform to future amendments to state law and submit to HCD. • Continue to monitor success of permit-ready packets to market accessory unit production. • Explore tiny homes, micro-units, and other prefabricated units. • Explore opportunities to create a Permit Ready Clearinghouse with other jurisdictions. • Prepare and circulate survey of ADU applicants from 2019 and 2020 to determine where any improvements can be made to the process and non-governmental constraints to construction of the ADUs, such as financing. • Continue to survey affordability levels as building permits are issued. • Review production estimates and affordability levels every two years. If production estimates are below projected amount determine if any program improvements are needed such as constraints caused by permit processing. • Update ADU production estimates with mid-cycle Housing Element update in 2025. • Issue building permits for an average of 125 accessory units annually.

Timeframe:	• Update zoning code within one year after any future amendments are passed applicable to State Accessory Dwelling Unit law. Process Coastal Commission certification of Local Coastal Program Amendments as required. • Prepare and circulate ADU Applicant Survey by March 2021. Report findings of survey June 2021. • Explore Permit Ready Clearinghouse by December 2021. • Annual Monitoring of ADU programs. • Analyze ADU production every two years and make any needed program improvements within a year to ensure that production estimates can be met. • Update ADU production estimates in 2025 Housing Element update.

PROGRAM 1D: Develop Programs to Promote and Encourage Accessory Dwelling Units (ADUs) Affordable to Lower Income and Moderate Income Households

Accessory Dwelling Units (ADUs) provide the opportunity to accommodate additional housing opportunities for very-low, low and moderate-income households. The City has worked to reduce the cost of ADUs by providing 'permit ready' plans, allowing both a JADU and an ADU on a single lot, waiving all development fees, conducting community education, and providing streamlined processing. The City is currently developing and implementing appropriate programs and procedures to incentivize the development of ADUs affordable to lower income and moderate income households.

The development of incentives will be based upon review and evaluation of current programs and policies, survey of programs from other agencies to determine the most feasible and effective alternatives. For instance, the City is exploring potential loan programs or other financial incentives to encourage the preservation and construction of ADUs that are affordable to lower and moderate-income households. The City is also reviewing other incentive programs that would encourage new ADU/JADU development at affordable rents, assistance for existing un-permitted ADU/JADU units to meet code compliance, and other forms of assistance. Programs such as the City of Los Angeles LA ADU Accelerator Program, Napa County Junior ADU Loan Program, and the Los Angeles County Second Dwelling Unit Pilot Program are being researched.

Based on the survey to be completed in Program 1C, the City will better understand and address non-governmental constraints to developing ADUs, especially affordable ADUs. Based on current understanding, ADUs are costly to build and there is no financing available. In addition, access to a contractor to build these small units may be difficult. The City is exploring working with builders and contractors to build the PRADU units within the City and the possibility of providing financing for units provided at an affordable level.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • City Council

Objectives:	• Survey and evaluate a variety of potential methods and strategies to encourage ADU development affordable to lower and moderate-income households. To be completed in conjunction with the Survey in Program 1C. • Adopt appropriate procedures, policies and regulatory provisions.
Timeframe:	• Evaluate ADU policies/programs 2021-2022; Ongoing. • Propose an incentive program to City Council by June 2021. • Develop appropriate procedures, policies and regulatory provisions by June 2023.

PROGRAM 1E: Ensure that Adequate Sites Remain Available Throughout the Planning Period

The City will monitor the consumption of residential acreage to ensure an adequate inventory is available to meet the City's 2021-2029 RHNA obligations. The City will develop and implement a monitoring procedure pursuant to Government Code Section 65863 and will make the findings required by that code section if a site is proposed for development with fewer units or at a different income level than shown in the Housing Element. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining need for lower income, moderate, or above moderate income households, the City will identify and, if necessary, rezone sufficient sites within 180 days to accommodate the shortfall and ensure "no net loss" in capacity to accommodate the RHNA, consistent with State law. Any site rezoned will satisfy the adequate site requirements of Section 65583.2 and will be consistent with the City's obligation to affirmatively further fair housing.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • City Council
Objectives:	• Review each housing approval on sites listed in the Housing Element and make findings required by Government Code Section 65863 if a site is proposed with fewer units or a different income level than shown in the Housing Element. If insufficient suitable sites remain at each income level, identify and, if necessary, rezone sufficient sites within 180 days. • Identify additional sites that may be required to be upzoned to meet "no net loss" requirements for Housing Element adoption in 2025. Any site identified to be upzoned will satisfy the adequate site requirements of Section 65583.2 and will be consistent with the City's obligation to affirmatively further fair housing. • Report as required through the HCD annual report process.
Timeframe:	• At the time of approval of a project on a site listed in the Housing Element. • Housing Element adoption in 2025 as identified in Program 3C. • April Housing Element Annual Report.

PROGRAM 1F: Implement Energy Conservation and Energy Efficiency Opportunities

In January 2018, the City adopted an update to its Climate Action Plan. To further advance community energy and water conservation goals, the City is implementing the following actions listed in its Climate Action Plan to achieve residential-focused greenhouse gas emission reductions.

- Reducing citywide potable water consumption by implementing water rates that encourage efficient use.
- Requiring energy audits of existing residences as part of building permits for remodels.
- Requiring installation of solar photovoltaic systems in new housing and requiring new single-family homes to install solar water heaters.
- Requiring residential electric vehicle charging stations in new development.
- Educating homeowners about water efficiency rebate and incentive programs offered to San Diego Water District and OMWD customers.

In addition, the City will continue to promote regional water conservation incentive programs and encourage broader participation in the City's Green Building Incentive Program. The City's Green Building Incentive Program provides financial incentives, priority plan check and recognition for projects that register and achieve certification through with Build It Green (BIG) GreenPoint Rated and/or US Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) ®.

Funding:	• City Manager's Office and Development Services Department budget
Responsible Agencies:	• City Manager's Office • Development Services Department
Objectives:	• Implement the residential strategy measures listed in the City of Encinitas Climate Action Plan. • Promote and encourage regional water conservation incentive programs and City's Green Building Incentive Program.
Timeframe:	• Ongoing

Program 1G: Water and Sewer Service Providers

Pursuant to Chapter 727, Statues of 2005 (SB 1087), the City of Encinitas is required to deliver its adopted Housing Element and any amendments thereto to local water and sewer service providers. This legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. Additionally, cooperation with local service providers will support the prioritization of water and sewer services for future residential development, including units affordable to lower-income households. The City will submit the adopted Housing Element to local water and sewer providers for their review and consideration when reviewing new residential projects.

Funding:	• City Manager's Office and Development Services Department budget
Responsible Agencies:	• Development Services Department
Objectives:	• Submittal of Housing Element to water and sewer purveyors
Timeframe:	• Upon local adoption of 6th Cycle Housing Element

PROGRAM 2: AFFORDABLE HOUSING

The programs below identify the actions that will be taken to promote affordable housing.

PROGRAM 2A: Continue and Improve Inclusionary Housing Policies

In 2018, the City's inclusionary housing program was amended to require that residential developments of at least seven units set aside either 10 percent of the units as affordable to very low-income households, or 15 percent of the units as affordable to low-income households. A variety of alternatives are offered, including use of accessory dwelling units, off-site construction, land dedication, preservation of 'at risk' housing, and in-lieu fees (except that in-lieu fees are not allowed on sites designated to accommodate housing for very low- and low-income households). All required affordable units must be constructed concurrently with market rate units to ensure completion. Through December 31, 2019 the ordinance had created approximately 148 units for very low- and low-income households. Eighty-nine (89) of these units have been provided in addition to affordable units provided to obtain a density bonus. The City's inclusionary policies affirmatively further fair housing by ensuring that lower income housing is dispersed throughout the City.

The City has conducted additional studies (economic feasibility study, gap analysis, and nexus study) to adopt in-lieu fees for projects of seven units or more (except on sites designated to accommodate housing for very low- and low-income households), impact fees for projects with one to six units, and a supportable increase to the inclusionary requirement. The City intends to proceed with amending the Zoning Code in 2021 to increase the percentage of affordable housing required for residential development as justified by the economic feasibility study and to adopt a new affordable housing fee for smaller residential projects and residential care facilities.

The City will continue to evaluate its inclusionary ordinance to ensure it is effective and to evaluate its inclusionary programs and policies to ensure that they are not a constraint on development. Should appropriate amendments be identified, the City will modify existing policies as needed.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • Planning Commission and City Council

Objectives:	• Adopt recommended amendments to inclusionary housing ordinance. • Continue to implement the inclusionary housing program in all areas of the City. • Evaluate program effectiveness and impact on housing production. • Review provisions, standards or other regulatory features for constraints on housing development and amend within one year of the identification of a constraint as stated in Program 3B.
Timeframe:	• Adopt recommended changes to inclusionary ordinance by Spring 2021. Process Coastal Commission certification of Local Coastal Program Amendments as required. • Annual analysis of results of inclusionary program.

PROGRAM 2B: Facilitate Affordable Housing for All Income Levels

The City will continue to proactively support housing for low income, very low income, extremely low income, and moderate income households and persons with disabilities (including developmental disabilities). State and federal funding is available only for lower income housing. The City has used a wide variety of financing and incentive programs to create 308 deed-restricted affordable units, all but three affordable to very low and low-income households, using federal Community Development Block Grants and HOME Investment Partnership funds, City affordable housing funds, tax credits, other HUD financing, inclusionary requirements, density bonus incentives, and legalization of units constructed illegally.[1] Of these units, 152 are in multi-family developments. In addition, the City administers housing choice vouchers (Section 8) adequate to subsidize 96 households, as discussed in Program 2C.

As opportunities arise, new funding sources for lower income multi-family housing will be sought from available non-profit, local, state, and federal programs, and the City will seek to partner with other agencies that own property in Encinitas, including San Diego County and North County Transit. The City will also continue to utilize its existing CDBG and other funds. Planning and entitlements should consider how to position an affordable lower income project to qualify for future grant applications. The City will attempt to subsidize off-site public improvement costs by coordinating its CIP with housing sites suitable for lower income housing and is considering the waiver, deferral or reduction of development fees. For any publicly owned housing sites, land cost write-downs will be sought to make possible affordable lower income housing.

The City will also work with developers to facilitate affordable lower income multi-family housing development. Specifically, as funding permits, the City will provide gap financing to leverage State, federal, and other public affordable funding sources. Gap financing will focus on multi-family rental housing units affordable to lower income households and households with special needs (such as seniors and disabled). To the extent feasible, the City will also ensure a portion of the affordable housing units created will be available to extremely low-income households.

[1] The figure includes 44 density bonus units; 90 inclusionary units; 133 misc. affordable housing programs units, 23 homebuyer program units, 2 HOME units, 16 City-owned units.

As of winter 2020, rents for studios and one-bedroom apartments were affordable to moderate-income households, but larger units were not affordable. The City has encouraged development of moderate-income housing by adopting specific plans permitting moderate densities. Because no funding is available to support moderate-income housing, the City has adopted measures that will encourage 'affordability by design,' especially for units of two-bedrooms or more. In particular, the City has limited average unit size to 1,000 square feet for rental units and 1,150 square feet for ownership units on sites zoned to accommodate lower income multi-family housing. Employing such strategies will help ensure that units identified on the housing strategy map as affordable to lower-income households are not designed as luxury homes yet can accommodate families with children and provide opportunities for moderate and lower-income households.

Additionally, the City has retained a housing consultant to facilitate opportunities for affordable lower income multi-family housing; work with the development community to identify locations and opportunities to construct new affordable lower income multifamily housing; preserve existing affordability restrictions; and acquire or rehabilitate units for affordable lower income housing purposes. The City will also explore programs and opportunities that support first-time and lower-income homebuyers and increase access to needed financing, especially for communities of color, who are more likely to be denied financing at every income level.

Funding:	• Development Services Department budget, CDBG and HOME funds, Affordable Housing Fund, LIHTC, Multifamily Housing Revenue Bonds, Cap and Trade Affordable Housing Program, National Housing Trust Fund and other resources, as available
Responsible Agencies:	• Development Services Department • Planning Commission • City Council
Objectives:	• Explore programs that support first-time and lower-income homebuyers. • Explore opportunities to increase access to financing, especially for communities of color, who are more likely to be denied financing at every income level. • Maintain existing publicly owned affordable housing occupied by low-income households. • Annually allocate designated Affordable Housing Funds and other identified funds to increase the supply of affordable housing for lower income households, including seniors, extremely low- and lower-income households, disabled, homeless and those at risk of homelessness. Seek to leverage these funds with federal, state, and County HOME funds to increase the amount of affordable lower income multifamily housing on housing strategy sites. • Identify and work with developers of housing strategy sites identified in Policy 1A and nonprofit developers to identify opportunities to increase the percentage of lower income housing above that required by the City's inclusionary ordinance by encouraging developers to apply for available funds and utilize other creative mechanisms, with the goal of developing at least 250 lower income units. • Analyze sites owned by the City and other public agencies (including San Diego County and the Transit District) to identify those that could be suitable to support lower income housing development and determine whether housing development would be feasible and what actions would be needed to develop lower income multifamily housing on those sites. • Encourage the development of sites designated for moderate-income housing by continuing to implement the City's adopted specific plans. To achieve 'affordability by design,' consider adoption of maximum unit size limits for sites designated for moderate-income housing.

Timeframe:	• Annual allocation of available funds. • Ongoing meetings with developers of housing strategy sites and nonprofits. • Prepare inventory of City surplus land no longer required for the City's use by December 31 of each year, beginning December 31, 2020. • Review suitability of sites owned by other public agencies by December 31, 2023. • Review development standards applicable to moderate-income sites to encourage 'affordability by design' by December 31, 2022. • Explore programs that support first-time and lower-income homebuyers by December 31, 2022. • Explore opportunities to increase access to financing by December 31, 2021. • Annually monitor existing publicly owned affordable housing occupied by low-income households.

PROGRAM 2C: Utilize Section 8 Housing Choice Vouchers

The Section 8 Housing Choice Voucher Program provides rental assistance to eligible extremely low and very low-income households (with incomes not exceeding 50 percent of the area median). The subsidy represents the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged. To cover the cost of the program, U.S. Department of Housing and Urban Development (HUD) provides funds to allow the City of Encinitas Housing Authority to make housing assistance payments on behalf of the families. HUD also pays the Housing Authority a fee for the costs of administering the program. The Housing Authority Board is required to prepare and approve a five-year Public Housing Agency (PHA) Plan in order to continue receiving federal housing funds for its use in providing assistance to residents. The FY2020-25 PHA Plan was approved by the Housing Authority Board on March 18, 2020. The goals identified in the Plan include:

- Manage the EHA's existing Section 8 program in an efficient and effective manner;
- Expand the quantity and quality of housing choices to participants;
- Ensure compliance with Fair Housing Law; and
- Ensure compliance with the Violence Against Women Reauthorization Act of 2013 (VAWA).

In January 2004 and January 2005, HUD capped the Section 8 budget, which required the City to reduce program operating costs. The City responded in part by increasing the payment standards and enhancing occupancy standards which provides for more rental unit opportunity. On March 1, 2013, around $85 billion in federal budget cuts, known as sequestration, took effect. The impact of sequestration on the City's Housing Authority has resulted in the loss of annual funding for rental subsidy payments and program administration. HUD has not issued any new vouchers to the City of Encinitas for at least the past five years.

Although the City will continue to administer its 136 housing vouchers, due to high market rents, especially considering the recent implementation of Small Area Fair Market Rents, there is

currently funding available to subsidize only 96 households, and the City has allocated general fund dollars to pay for administrative costs to replace in part declining federal support. The City's ability to expand or even maintain this program at its current level depends on the annual federal budget process. In late 2018, the San Diego Housing Commission conducted a rent survey for the entire San Diego region and submitted the results to HUD to demonstrate the need for additional funding due to rising rents. As a result, HUD provided an increase of 13% in funding in 2019 to allow the City to maintain the program at its current level. There is no indication from HUD are that federal support for Section 8 will be expanded. However, if additional funds become available to assist new families, the City will provide additional housing vouchers.

As of August 2020, there were 1,030 households on the waiting list. Of these, 68 percent are extremely low income and 25 percent are very low income. Thirty-four percent are seniors, 30 percent are families with children, and 42 percent are families with disabilities. Over half of the waiting list applicants identified needing a one-bedroom apartment, and around half identified as currently living in or working in Encinitas.

The City has a designated program manager that assists the landlords and voucher recipients throughout the process, including searching for and educating landlords about the Section 8 Voucher Program and assisting voucher recipients with the paperwork and answering questions. Of the 96 vouchers, 84 support families with extremely low incomes, 10 very low income and two low income; 47 percent of residents are seniors, and 28 percent are disabled. Vouchers are utilized throughout the City in mostly market-rate rentals; however, 14 of the recipients reside in City-owned affordable units. In the past, only about 70 percent of voucher holders were able to find units in the City. Since the State law was changed in 2020 to forbid discrimination based on use of a Section 8 voucher, opportunities appear to have opened up for voucher holders to find units in Encinitas, although no data is available as the requirement is still new.

The availability of Section 8 Housing Choice Vouchers is based on the annual allocation of federal funds. As the City's funding from HUD is far short of meeting current needs, the City will proactively promote and encourage expansion of funding opportunities through collaboration with federal, state, and local agencies.

The City will strengthen outreach, education and support to those households and families currently on the waitlist and help facilitate the provision of interim supplemental services and referrals until waitlisted applicants receive Section 8 Housing Choice Vouchers. The City will evaluate current and future waitlists and collaborate with regional, state and federal partners to provide direct outreach to those persons on the waitlist and facilitate additional and interim assistance.

Funding:	• HUD Section 8 Housing Choice Voucher Allocations
Responsible Agencies:	• Encinitas Housing Authority
Objectives:	• Continue to administer and fund Housing Choice Vouchers based on HUD funding availability and "port-ins," HCV recipients from other communities that reside in Encinitas. • Promote and encourage expansion of funding opportunities through collaboration with federal, state, and local agencies. • Provide direct outreach to waitlisted and potential program participants through programs such as workshops, print materials, online materials, and direct contact. • Identify appropriate supplemental services or referral programs for waitlisted program participants. • Continue to implement and update the Public Housing Agency (PHA) Plan, available on the City's website: https://encinitasca.gov/Resident/Housing-Resources/Section-8-Program. • Promote the Housing Choice Voucher program to property owners and managers through direct mail annually and at least annually to the public through an informational meeting. • Affirmatively market and promote the use of Housing Choice Vouchers throughout the City. • Work with appropriate service providers to educate property owners and managers regarding non-discrimination and other applicable provisions in state laws, including new legal requirements pursuant to SB 329, through community presentations, articles, and other media. See Program 5A. • Explore interim, additional or alternative funding sources to support current and future Section 8 waitlist applicants.
Timeframe:	• Ongoing administration of the House Choice Vouchers • Update the PHA Plan in 2025 • Promote Housing Choice Voucher Program annually. • Develop additional outreach methods and supplemental services by December 31, 2021.

PROGRAM 2D: Ensure that the Density Bonus Ordinance Continues to be Consistent with State Law

Government Code Section 65915 requires that a jurisdiction adopt a local Density Bonus Ordinance consistent with State law. State Density Bonus Law requires a local jurisdiction to grant an increase in density, if requested by a developer, for providing affordable housing as part of a development project. Key provisions of the law include incremental density bonuses that correspond to the percentage of housing set aside as affordable units. For most projects, State law caps the maximum density bonus at 50 percent, unless a city adopts its own program "that incentivizes the construction of affordable housing that provides bonuses exceeding the density bonuses required by the version of the statute [Government Code Section 65915] effective through

December 31, 2020," and allows the developer to request up to three incentives or concessions, if required to provide the affordable units. The law also provides reduced parking requirements and allows requests for waivers of development standards, such as increased height limits and reduced setback requirements. Projects that are at least 80 percent affordable to lower income households may obtain a bonus of 80 percent of the number of lower income units plus four incentives; those within one-half mile of a major transit stop have no density limit and may obtain an additional three stories or 33 feet. Reductions in City parking standards are also permitted if requested by the developer. A city may require the developer to provide reasonable documentation to establish eligibility for an incentive or concession and waivers. ~~and to demonstrating that incentives meet the definition in the statute. (For most incentives, this requires demonstrating that the concession results in identifiable and actual cost reductions to provide for affordable units.) A city may also require reasonable documentation to establish eligibility for waivers by requiring a demonstration that the usual development standards physically preclude the project from achieving the allowed density and incentives.~~

Many developers in the City utilize State Density Bonus Law, and the City has a standard procedure for routinely processing density bonus applications as part of housing development applications. Projects that meet the City's inclusionary requirements are eligible for density bonuses. As of February 2021~~October 2020~~, the City had approved 342 density bonus projects that included ~~59~~7 lower income units. The City's implementing ordinance is consistent with the amendments to State Density Bonus Law enacted through 2017. The City ~~has~~ adopted ~~an~~ amendments to the ordinance in December 2020, which HCD has stated are not consistent with State law. Therefore, the City will repeal those amendments and update the ordinance consistent with current requirements of State Density Bonus Law and technical guidance issued by HCD as consistent with State Density Bonus Law.~~amendments to Density Bonus Law since 2017~~. ~~to conform with additional changes in state law adopted through 2020. This has been submitted to the Coastal Commission for approval. The ordinance includes a housing program to incentivize affordable housing by providing bonuses up to 41 percent in exchange for greater percentages of affordable housing and contains requirements for reasonable documentation to establish eligibility for density bonuses, incentives and concessions, waivers, and reduced parking ratios.~~

The City will continue to annually monitor the effectiveness and appropriateness of existing adopted policies and~~to~~ update the ordinance as needed and will ensure that its local ordinance remains consistent with State law, but will apply current state law even before local amendments are adopted. Should any amendments be required to existing policies pursuant to State law or case law, the City will modify its existing policies, as appropriate. The City commits to continue to review and approve eligible requests under State Density Bonus Law (including requests for incentives, concessions, waivers, and parking reductions) so that projects that qualify are not prevented from developing at the densities to which they are entitled. Projects approved under density bonus law are not subject to the requirements of Proposition A.

Funding:	• Development Services Department Budget
Responsible Agencies:	• Development Services Department • Planning Commission • City Council • Coastal Commission
Objectives:	• Ensure the City's density bonus ordinance is consistent with future amendments to State density bonus law and case law. • Ensure that housing program included in the density bonus ordinance incentivizes the construction of affordable housing. • Review provisions, standards or other regulatory features for constraints on housing development and amend within one year of the identification of a constraint as stated in Program 3B.
Timeframe:	• Repeal the amendments made to the City's density bonus ordinance included in Ordinance 2020-09 adopted December 2020 and adopt any amendments required to be consistent with current requirements of State Density Bonus Law ~~changes in Density Bonus Law enacted since 2017~~ within three ~~six~~ months. Immediately process density bonus applications consistent with current State Density Bonus Law. • Amend the density bonus ordinance within one year after amendments are passed applicable to State Density Bonus law~~.~~ or if there are changes in case law. ~~• Two years after the 2020 amendments to the density bonus ordinance become effective, evaluate density bonus applications received before and after the effective date of the ordinance to determine if the adopted housing program and the ordinance have incentivized the construction of affordable housing. If the program appears unsuccessful, evaluate other successful programs and adopt program amendments within one year after evaluation is concluded.~~ • Process Coastal Commission certification of Local Coastal Program Amendments as required.

PROGRAM 2E: Accommodate Specialized Housing Types to Assist Persons with Special Needs

Special needs groups often spend a disproportionate amount of their income to secure safe and decent housing and are sometimes subject to discrimination based on their specific circumstances. The development of affordable and accessible homes is critical to expand opportunities for persons with special needs. Many special needs persons, especially those in emergency shelters, transitional and supportive housing, and single-room occupancy units, may be extremely low-income individuals, and implementation of the zoning changes below enable development of housing serving their needs.

The City has amended its Zoning Code to be consistent with State law regarding the following sections. For all amendments below, the revised standards will be effective following approval from the California Coastal Commission.

Qualified Employee Housing:
Pursuant to the State Employee Housing Act (Section 17000 et seq. of the Health and Safety Code), employee housing for agricultural workers consisting of no more than 36 beds in group quarters or 12 units or spaces designed for use by a single family or household is permitted by right in a zoning district that permits agricultural uses by right. Therefore, for properties that permit agricultural uses by right, a local jurisdiction may not treat employee housing that meets the above criteria any differently than an agricultural use. The Act also requires that any employee housing providing accommodations for six or fewer employees be treated as a single-family structure, with no conditional or special use permit or variance required. The City has amended the Zoning Code to include these provisions.

Emergency Shelters:
The City amended its Zoning Code in February 2019 to accommodate emergency shelters pursuant to State law. Government Code Section 65583(a)(4) requires local governments to identify one or more zoning categories that allow emergency shelters (year-round shelters for the homeless) without discretionary review. The statute permits the City to apply limited conditions to the approval of ministerial permits for emergency shelters. Pursuant to State law, the City may establish only objective standards for the location, siting, operations and maintenance of emergency shelters.

The City's Zoning Code permits emergency shelters by right without a discretionary review process in the Light Industrial (LI) and Business Park (BP) zones (28 acres total), subject to the same development and management standards that apply to residential or commercial development in those zones, with the addition of the above standards. The City is in the process of amending its ordinance to ensure that no more parking is required than needed to accommodate all staff working in the shelter. This is expected to be approved in Fall 2020.

Transitional and Supportive Housing:
State Housing Element Law mandates that local jurisdictions allow for transitional and supportive housing in residential zones. The City has amended its Zoning Code to identify transitional/supportive housing meeting the Government Code Section 65582 (g-j) definitions as a residential use of a property in a dwelling to be allowed under the same conditions as apply to other residential dwellings of the same type in the same zones.

Single-Room Occupancy (SRO) Housing:
SRO units are typically one-room units intended for occupancy by a single individual. They are distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other and could be equivalent to an efficiency unit. State law requires that the City accommodate this housing type, and they provide smaller, less expensive housing units. The City has amended its Zoning Ordinance to permit SROs in its multifamily zones to encourage units that are cheaper by design.

Supportive Housing and Low Barrier Navigation Centers:
State law provisions have recently been modified to require approval 'by right' of supportive housing with up to 50 units and low barrier navigation centers that meet the requirements of State law. If the City receives applications for these uses, it will process them as required by State law. The City will adopt policies and procedures for processing these uses.

The City will continue to annually monitor the effectiveness and appropriateness of existing adopted policies. Should any amendments be required to existing policies pursuant to State law and case law, the City will modify its existing policies, as appropriate.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • Planning Commission • City Council • Coastal Commission
Objectives:	• Ensure the Zoning Code continues to be consistent with State law and case law relative to special needs housing. • Adopt policies and procedures for processing supportive housing and low barrier navigation centers; ensure that any application for supportive housing or a low barrier navigation center is processed 'by right' as required by State law. • Review provisions, standards or other regulatory features for constraints on housing development and amend within one year of the identification of a constraint as stated in Program 3B.
Timeframe:	• Repeal Ordinance No. 2020-16 Group Home Permit ordinance within three ~~6~~ months and immediately suspend enforcement of the ordinance. • Annual monitoring of state laws regarding special needs housing. Adopt Zoning Code changes within one year if other changes in state law or case law require code changes. • Adopt policies and procedures for processing supportive housing and

PROGRAM 2F: Continue Programs to Reduce Homelessness

The City has provided financial assistance to nonprofit service agencies such as the Community Resource Center, YMCA-Oz North Coast, Fraternity House, Catholic Charities, Interfaith Shelter Network, and Jewish Family Services to provide shelter and supportive services for the homeless, including for a 25-car Safe Parking Program within the City. In the first six months, the Safe Parking Program has permanently housed 16 individuals and reunified 14 individuals with their families.

Since 2016, the City has provided funding to the Community Resource Center to operate the Opening Doors program, which matches homeless households with housing navigators and housing resources, to ultimately be placed into permanent housing. In the last four years, 129 individuals have found permanent housing.

In partnership with the County of San Diego Health and Human Services, the County Sheriff's Department, and CRC, the pilot Homeless Outreach Program for Empowerment (HOPE) began in June 2020 to outreach to individuals experiencing homelessness and link them to needed resources. In the first four months, 17 individuals have found permanent housing.

The City will continue to work with regional agencies to identify the annual and seasonal need for homeless in Encinitas through the "We All Count" program conducted through the San Diego Regional Task Force on the Homeless, the Continuum of Care for San Diego Region. The City is

also exploring other data tracking mechanisms to understand the needs to the City's Homeless population. The City will support, partner with, and advance programs and policies to address the identified annual and seasonal need in Encinitas.

To the extent that funds are available, the City will continue to sponsor or assist emergency shelter facilities, inside City limits or outside within a reasonable proximity to the City, as well as encourage or support facilities by providing grants, or low-cost loans, to operating agencies.

In October 2019 City Council directed the development of a Homeless Action Plan, which commenced in January 2020. The purposes of the Homeless Action Plan are to:

- Understand current homeless population needs;
- Identify, develop and improve homeless services and partnerships;
- Assess the City's current efforts to address homelessness and provide recommendations to ensure that the City is maximizing its resources and impact within the community; and
- Assist in setting goals and actions to ensure that the City of Encinitas continues to move toward its goal of reducing homelessness.

Funding:	• City General Fund
Responsible Agencies:	• Development Services Department • City Manager • City Council
Objectives:	• Develop a Homeless Action Plan. • Continue to support programs to prevent homelessness and serve individuals experiencing homelessness based on community need including HOPE and Opening Doors. • Identify funding opportunities and partnerships with local interest groups, including faith-based organizations, the Regional Task Force on the Homeless, County of San Diego, and the State.
Timeframe:	• Adopt the Homeless Action Plan by Winter 2020-21; Ongoing Implementation • Identify funding opportunities based on program needs annually.

Program 2G: Manufactured Housing

State law (Government Code Section 65852.3) requires that the City's zoning code permit manufactured housing in the same manner and in the same zone as conventional single-family and multifamily residential structures are permitted. Specifically, to comply with state law, manufactured homes must only be subject to the same development standards as those applied to conventionally built residential dwellings. The City will amend, as appropriate, the Encinitas Zoning Code and specific plans to permit manufactured housing consistent with State law.

Funding:	• City General Fund
Responsible Agencies:	• Development Services Department

Objectives:	• Revise the Zoning Code and Specific Plans, as appropriate, to ensure consistency with state law regarding manufactured homes.
Timeframe:	• Adopt required changes to Zoning Code and Specific Plans by December 2021; 2022 Coastal Commission certification of Local Coastal Program Amendments.

PROGRAM 3: MITIGATION OF CONSTRAINTS

The City reviews and updates development standards and processing procedures that constrain housing development, particularly for lower and moderate-income households. The programs below list steps to be taken to remove governmental constraints that limit the ability to maintain, improve, and develop housing for all income levels. The City will also attempt to understand and, where possible, modify nongovernmental constraints that create a gap between the City's approval of housing and construction of housing.

PROGRAM 3A: Establish Parking Standards Appropriate for Different Kinds of Housing

Basic construction costs for residential developments have rapidly increased, and together with land prices, have increased the cost of housing. This has made homeownership and affordable rentals unattainable for many households. Parking is more expensive to supply in some places, so parking requirements add a cost to development, and a developer might build fewer housing units or may not develop at all if parking standards are excessive.

The Downtown Encinitas and the North 101 Corridor Specific Plans contain modified parking standards to encourage mixed-use and affordable housing development. Mixed-use units that are guaranteed to be affordable to low or very low- income households are allowed a reduced, one-space-per-unit parking requirement. State Density Bonus Law allows even lower parking standards for projects eligible for a density bonus, whether or not a density bonus is requested. Any project of seven units or more that provides on-site affordable housing in compliance with the City's inclusionary ordinance is eligible for the reduced parking standards provided by State Density Bonus Law. In addition, in 2019 reduced parking standards were adopted for deed restricted affordable housing in the R-30 overlay zoning district that allows one space per unit for studios and one bedrooms, 1.5 spaces per unit for two bedrooms, and 2 spaces per unit for three or more bedrooms. How people travel continues to change as more focus is being placed on alternative modes of transportation such as bikes and rideshares and on remote work. The City looks to update its zoning standards to reflect current and anticipated parking needs and to adopt parking standards appropriate for affordable, senior-aged, mixed-use, and transit-oriented housing projects. The City is currently updating these parking standards, which are expected to be approved Spring 2021.

Funding:	• Departmental budgets

Responsible Agencies:	• Development Services Department • Public Works Department • Planning Commission • City Council • Coastal Commission
Objectives:	• Update the City's parking regulations.
Timeframe:	• Adopt all code amendments Spring 2021; 2021 Coastal Commission certification of Local Coastal Program Amendments.

PROGRAM 3B: Modify Regulations that Constrain the Development of Housing

Governmental constraints are policies, standards, requirements or actions imposed by the various levels of government upon land, housing ownership and development. Although federal and state agencies play a role, the City cannot modify the policies of these agencies and they are therefore not addressed in this program section.

In 2019, the City of Encinitas identified potential constraints to the development of housing, including ground-floor commercial only uses, findings for residential projects related to density and design, and airspace ownership requirements. Through ordinance amendments made in 2019, the constraints related to findings and airspace ownership were removed. Working with the development community, the City will continue to evaluate regulations that may pose a constraint to the development of housing and modify them if consistent with State law.

Ground-Floor Commercial Uses Only:
Portions of the North 101 Corridor Specific Plan and Downtown Encinitas Specific Plan have mixed-use zones where residences are allowed. However, 1) ground floor uses in a storefront location are limited to retail-serving uses only; or 2) residential uses are permitted only above or behind a primary use. It may be difficult to market and develop a property with these ground floor commercial requirements because there is a finite economic market available to support retail uses. Mixed-use thrives when it is focused in a compact area, not over lengthy corridors, as is currently mandated in these specific plans. For mixed-use projects, the City will amend zoning regulations to require ground floor commercial uses only at key locations or preference areas based on context or planning objectives to ensure future projects are feasible and the desired pedestrian-oriented design features are preserved. Key locations will be determined by the City Council. City staff is reviewing mixed-use development standards and identifying key locations where ground floor commercial uses are preferred to present to City Council for direction on any future amendment to the Municipal Code.

Objective Design Standards:
The Housing Accountability Act and SB 35 require that the City review housing development projects based on objective standards. The City is undertaking revisions to its design guidelines and development standards to adopt more clear and objective standards related to the architectural review of residential developments and other areas. The City currently reviews all housing development applications for conformance with adopted general plan, zoning, subdivision, and objective design standards.

Utilizing the SB2 grant, the City has hired a consultant to review the existing design guidelines and zoning standards and develop clear objective standards. This ordinance is expected to be approved in Spring 2021.

Variety of Housing Types: To increase the variety of housing types at all income levels, the City will explore construction methods and technologies that may encourage 'affordability by design' and determine if changes are needed to the zoning and building codes to permit those technologies. Any reduction in costs has the potential to decrease sales prices and rents and thereby increase access to housing.

Funding:	• Departmental budgets
Responsible Agencies:	• Development Services Department • Planning Commission • City Council • Coastal Commission
Objectives:	• Review provisions, standards or other regulatory features for constraints on housing development. • Remove identified constraints to residential development within one year of the identification of a constraint. • Work with the development community to identify potential constraints. • Review ground floor retail requirements in mixed use zones and remove where unnecessary or infeasible. • Revise design guidelines and zoning standards to ensure they are objective standards. • Explore construction methods and technologies such as modular housing construction and determine if allowed by current zoning and building code.
Timeframe:	• Annual review of objective development standards and adopt necessary amendments within one year. • July 2021 adoption of code amendments relating to ground floor commercial uses and objective standards. • December 2021 Coastal Commission certification of proposed amendments relating to ground floor commercial uses and objective standards. • Explore alternative construction methods by January 2022 and determine if zoning and building code changes are required to accommodate them.

PROGRAM 3C: Right to Vote Amendment

In 2013, a citizen initiative resulted in the Right to Vote Amendment (Proposition A), which requires voter approval of increased residential densities, use changes to permit residences, and building heights higher than two stories. Proposition A cannot be modified except by another vote of the people or a court order. While this 2021-2029 Housing Element proposes no land use or zoning modifications that require a vote of the people, Proposition A may require a vote prior to

the adoption of future Housing Elements in the event that "no net loss" requirements trigger a need for upzoning. The City will take actions to ensure that future Housing Elements may be adopted in a timely fashion and that requirements for a vote of the people do not constrain the City's compliance with State law, including "no net loss" requirements.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department
Objectives:	• Continue to participate in the current declaratory relief action, *City of Encinitas v. Department of Housing and Community Development*, in which the City seeks limited preemption of Proposition A with respect to housing element adoption and necessary implementing actions (amendments to the Land Use Element, upzoning of sites in connection with the adoption of the Housing Element, upzoning of sites to the extent required by Gov't Code §65863, and adoption of development standards required to implement a Housing Element). After final judgment comply with the Court order. • If the Court determines that a vote of the electorate is required to adopt housing elements and related implementing actions or dismisses the action without a decision on the merits, take actions in advance of the next Housing Element due date (April 2025) to ensure that future Housing Elements and implementing actions, including upzoning of sites to the extent required by Government Code § 65863), can be adopted in a timely fashion consistent with State law. These actions will include, but are not limited to, the following: • Establishing a schedule so that approval actions are taken sufficiently in advance of the Housing Element due date to allow for a vote, if required. • Identify additional sites that may be required to be upzoned to meet "no net loss" requirements for Housing Element adoption in 2025. • Including a buffer of sites when adopting Housing Elements to ensure that adequate sites will remain throughout the planning period, and that there will be no need to upzone sites during the planning period to comply with the 'no net loss' statute (Gov't Code § 65863). • Completing an economic feasibility analysis and amending the City's Inclusionary Housing Ordinance to require that affordable housing be developed on each identified site to the maximum amount that is economically feasible, so that each site is developed at the designated income level to the extent feasible. • Providing assistance to owners of sites suitable for lower income housing to identify subsidy sources that could support a higher percentage of lower income housing. • Developing more affordable housing by implementing Programs 1D (affordable ADUs), 2A (increased affordable housing requirements), and 2B (development of new affordable housing).

	• If the Court determines that a vote of the electorate is required to adopt housing elements and related implementing actions or dismisses the action without a decision on the merits, other possible actions to be taken by the City may include: • Submitting a ballot measure to the voters to amend Proposition A so that a simple majority of the City Council may adopt future Housing Elements and implementing actions without requiring a vote of the electorate.
Timeframe:	• As proposed in Program 2A, adopt recommended changes to inclusionary ordinance by Spring 2021. • Commence review of sites that may be suitable for upzoning immediately after Housing Element adoption. Identify suitable sites and complete environmental review of any required upzoning. Any site identified to be rezoned will satisfy the adequate site requirements of Section 65583.2 and will be consistent with the City's obligation affirmatively further fair housing. • If the Court determines that a vote of the electorate is required to adopt housing elements and related implementing actions or dismisses the action without a decision on the merits, develop the next Housing Element at an early date and commence any required rezoning prior to Housing Element adoption to ensure that the Housing Element may be adopted on time. Monitor possible need for upzoning due to "no net loss" and schedule required election at appropriate time.

PROGRAM 3D: Improve the Efficiency of the Development Review Process for Housing Projects

The City continues to improve the efficiency of the development review process. The City has improved its permitting process by placing more information on the City's website; implementing an Internet-based case management and online application submittal system, accessible to the public, that tracks permit review and status; and establishing an interdepartmental team (Project Issue Resolution) that quickly resolves problems and issues as they arise. In 2017, the City established a Development Services Department that combines planning and engineering services to facilitate project review. In conformance with Government Code Section 65940.1 (SB 1483), the City has posted on its web site a current schedule of fees, application forms, zoning ordinances, and other information, and updates the information within 30 days of any changes. The City attempts to respond to queries from the community including applicants within 24 hours but no later than 3 business days.

The City will continue to find opportunities to streamline the permitting process to remove unnecessary barriers, while implementing objective design standards that will define community character, without compromising public health and safety. The City will process projects outside the coastal zone under SB 35 if requested by an applicant for an eligible project. The City will emphasize working with non-profit and for-profit housing developers to better utilize an expedited process, which would include priority plan review and inspection services that exceed the permit streamlining act timelines. The intent of the expedited permit process is to reduce the number of

application resubmittals and overall project review timelines; however, this is contingent on the timeliness and completeness of the response by the applicants.

No EIR or other environmental document was prepared for the Fifth Cycle Housing Element, although an EIR was certified for a Housing Element proposed in 2016 that did not win voter approval (the Measure T EIR), Instead, when adopting the Fifth Cycle Housing Element, the City prepared an Environmental Assessment (EA) in the form of a Draft EIR that was incorporated into the general plan, as required by state law. Because the EA is part of the general plan, projects on R-30 sites must conform with the mitigation measures included in the EA to be consistent with the general plan. The City utilizes the EA already completed for the Fifth Cycle Housing Element to address as many environmental issues as possible. Environmental review, where required, focuses on project-specific issues and any additional review required by changes in State CEQA Guidelines, and utilizes the objective standards included in the Environmental Assessment to mitigate impacts where possible. The EA identifies the R-30 sites that may require additional studies. Detailed objective standards for these studies are included in the EA. Mitigation measures are also identified in the EA if a significant impact is identified, or the study may recommend mitigation measures that are site specific and dependent upon the impact identified. The EA is available on the City's website. Only five of the 15 R-30 sites were examined in the Measure T EIR, but if environmental review is required for those sites, they may tier off the Measure T EIR, which was adopted as a program EIR. These sites include Greek Church Site, Rancho Santa Fe Sites, Harrison Sites, Encinitas Blvd & Quail Gardens, and Baldwin & Sons Properties.

In 2019, the City adopted zoning code amendments that provide for 'by right' approval on R-30 lots for projects containing at least 20 percent lower income housing and not including a subdivision, as required by Government Code Sections 65583.2(h) and (i). As provided in HCD's Housing Element Site Inventory Guidebook (issued June 10, 2020), the Planning Commission "can review the design merits of a project and call for a project proponent to make design-related modifications, but cannot exercise judgment to reject, deny, or modify the 'residential use' itself." In addition, the City has hired a consultant utilizing SB2 funding to assist in the development of an expedited permit process and education materials. Projects may utilize the SB 35 streamlining process outside the Coastal Zone, so long as 50 percent of the housing in such projects is affordable to lower income households.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department

Objectives:	• Analyze development review process to identify constraints and develop expedited permit process that exceeds Permit Streamlining Act timelines. • Expedite permit processing for housing developments that exceed the City's inclusionary requirements as identified in the Municipal Code (currently 10 percent for very low-income housing and 15 percent for low-income housing) and provide on-site affordable housing. • To the extent permitted by State law, use existing environmental documents to limit review of new developments to impacts not considered in the earlier document. • Apply the objective standards included in the Environmental Assessment to the review of housing developments. • Provide information on the City's website regarding the additional studies and analysis required by the EA and recommended mitigation measures within six months of adoption. • Develop an SB 35 application form and processing procedures.
Timeframe:	• Ongoing • Annual review of the development review process to identify constraints and adopt policies to address those constraints within one year. • Develop and execute the new expedited permit process and education materials by August 2021. • Develop an SB 35 application form and processing procedures by July 2021. • Update City's website with information specific to additional analysis required by the Environmental Assessment within six months of adoption.

PROGRAM 3E: Review Nongovernmental Constraints Impeding Development of Approved Housing Projects

Most housing developments approved by the City have received building permits within a reasonable time period. However, in some cases building permits or final maps have not been obtained, especially for accessory dwelling units. The City will contact applicants to discover why units have not been constructed two years after approval. If due to nongovernmental constraints, such as rapid increases in construction costs, shortages of labor or materials, or rising interest rates, to the extent appropriate and legally possible, the City will seek to identify actions that may help to remove these constraints.

Additionally, the City will proactively work with stakeholders to identify nongovernmental constraints or other considerations that may impede the construction of housing in the Encinitas. The City will work collaboratively to find strategies and actions that can eliminate or reduce identified constraints.

Funding:	• Development Services Department budget
Responsible	• Development Services Department

Objectives:	• Contact applicants of projects to discover nongovernmental constraints preventing construction two years after approval. • To the extent appropriate and legally possible, identify actions that may help to remove these nongovernmental constraints.
Timeframe:	• By July 2021, complete contacts to applicants who have not received permits two years after approval, and every two years thereafter.

PROGRAM 3F: Seek to Create Community Support for Housing at a Variety of Income Levels

The City will work with the community to achieve community support for housing at a variety of income levels through education and listening forums. Educational opportunities will be provided to city officials, business leaders, established community groups, and the general public on the benefits of affordable and multifamily housing. The City will also hold listening forums to hear community concerns and pursue policy and regulatory strategies that respond to community concerns such as ensuring that higher density housing developments conform to the City's objective design standards. The objective design standards will be available to the public online and in hard-copy at City Hall and the public libraries.

There are many local and regional organizations that are working in Encinitas to support housing development. The City will seek to identify and partner with a variety of organizations to discuss housing challenges and assist in promoting educational opportunities.

The City has adopted a formal Citizen Participation Process (CPP) requiring developers of larger projects to meet with the community and discuss their projects. While the developer is not required to make changes in response to comments made at the meeting, often relatively minor changes will substantially reduce community opposition. Comments received during the CPP are provided to the decision-making bodies in the staff report. Staff provides an analysis of comments received that are relevant to objective standards applicable to the proposed project for the decision-making body to consider in making the required findings. Only objective standards will be considered in evaluation of the project by the decision-making body. The CPPs are not used as a basis to approve or deny a project but as a means for the developer to explain the project to the community, to involve the community in the application review, and to provide an opportunity to reduce public opposition to projects.

If an applicant for a by-right project believes that subjective standards are being applied by the staff or a decision-making body in their review of the project, they can appeal the decision to the City Council. Encinitas Municipal Code (EMC) Sections 2.28.090(H), 23.08.070(C), and 30.80.150 describe the timing of appeals for Director of Development Services determinations, Design Review Permits, and Coastal Development Permits, respectively. EMC Chapter 1.12 describes the City of Encinitas appeal process.

Residents are often opposed to projects because of inadequate infrastructure. If additional infrastructure improvements are required to accommodate increased housing development, the City will seek to provide that infrastructure and amend its capital improvement program where adequate funds are available. The City annually evaluates and identifies the need for critical infrastructure improvements to add to the CIP list.

Funding:	• Development Services Department budget

Responsible Agencies:	• Development Services Department
Objectives:	• Provide information to Encinitas residents about local housing needs, state law requirements, and other topics related to housing for all income levels. • As provided in Program 3B, develop objective design standards that define designs that are consistent with community character, and ensure that any housing developed at higher densities complies with those objective design standards. • Develop educational outreach materials and listening forums that may include but are not limited to workshops, one on one meetings and discussions, and online and print educational resources in English and Spanish. All resources will be available online and hard copy at City Hall and local public libraries. • Increase collaboration and build relationships with local and regional organizations to discuss housing topics and assist with outreach to promote educational opportunities to reach underserved residents. • Continue the CPP process to reduce community opposition. • In staff reports and at community meetings, emphasize that only objective standards can be used by decision-making bodies in making decisions about projects qualifying for 'by right' review. • Annually identify infrastructure needs to add to the City's capital improvement program reduce opposition to housing development and attempt to identify funding sources that may provide that infrastructure.
Timeframe:	• Monitor CPP and development review process for by-right projects to ensure only objective standards are used in the decision-making process and amend within one year of the identification of a constraint. • Ongoing updating of educational materials, continuation of CPP process, and collaboration. • Annually review infrastructure needs related to housing when the City's capital improvement program is adopted. • Hold at least four workshops/listening forums per year.

Program 3G: Monitor Adequacy of Development Standards

In the course of reviewing new projects on the sites shown on the site inventory in Appendix C, the City of Encinitas will evaluate the development standards contained in Title 30 of the Encinitas Municipal Code and Specific Plans to determine if any standards create undue burdens or limit the ability for housing to be developed at the density designated in the site inventory. The analysis will evaluate standards that could influence the ability of the City to develop housing for extremely low, very-low-, low- and moderate-income households or special needs populations.

To date, most projects proposed on housing strategy sites have included substantially more housing units than shown in **Table 2-5**, indicating that the City's development standards do not prevent housing from being developed at the density designated in the site inventory.

The Housing Element Annual Report will include the effects of the development standards to facilitate development in the R-30 zone. Should the evaluation conclude that any development standard may pose a constraint to development in the R-30 zone at the capacity indicated in the Housing Element; the City will initiate a Municipal Code amendment.

Funding:	• Departmental budgets
Responsible Agencies:	• Development Services Department • Planning Commission • City Council
Objectives:	• Amend R-30 development standards if projects cannot achieve the densities shown in the site inventory. • Review provisions, standards or other regulatory features for constraints on housing development and amend within one year of the identification of a constraint as stated in Program 3B.
Timeframe:	• Ongoing Evaluation. • Report to City Council annually, as part of Housing Element Annual Report. • If needed to address constraints, following the City Council review of the Annual Report, request initiation of a zoning amendment within 6 months to be processed within a year.

Program 3H: Examining and Mitigating Barriers to Racial and Ethnic Equity

The Regional Analysis of Impediments has identified barriers to access to housing throughout San Diego County. To better understand the barriers specific to the City of Encinitas and how they may differ from the region, the City will conduct a study to identify any potential discriminatory land use and housing-related policies, inequitable community development practices, potential racial or ethnic biases in mortgage lending and rental housing, and other policies and practices that may create or contribute to barriers in access to housing opportunity in Encinitas and which may explain why Encinitas' ethnic composition is dissimilar to that of the San Diego region. The City will conduct this study in collaboration with local communities of color, service groups and agencies, and regional, state and federal partners and lenders.

Based upon the results of this study, and if barriers are identified, the City will take specific actions to address and mitigate these barriers that may include, but are not limited to:

- Revisions to Zoning Code and permit requirements,
- General Plan policy and program updates,
- Advocating for changes in lender and broker practices and processes,
- New services, programs and support offered to underrepresented groups,
- New or expanded outreach and engagement programs and policies, and
- Equitable services to all residents.

The Limited English Proficiency (LEP) Plan for the City of Encinitas was adopted to provide meaningful access to its programs and activities to individuals with LEP in accordance with federal guidelines. Encinitas Housing Division (EHD) staff currently takes steps to provide the opportunity for meaningful access to LEP persons. If language assistance is needed to provide meaningful access, the EHD will make efforts to provide free language assistance including translation of materials and access to translation services. To reduce any barriers due to English proficiency, the existing LEP will be expanded to all housing related activities.

In addition, the City of Encinitas actively recruits a diverse and multi-lingual staff and compensates employees designated by the City to regularly perform duties which require the skilled use of a language other than English. The City also has a phone number dedicated to reach the multi-lingual staff.

Funding:	• City General Fund
Responsible Agencies:	• Development Services Department
Objectives:	• Conduct study to identify barriers to equity among all racial and ethnic groups in acquiring and renting housing in Encinitas and seek to determine why the City's ethnic composition is dissimilar from that of the San Diego region as a whole. • Track lower-income housing units by Census Tract and identify areas that may be underserved with lower income housing. • Establish appropriate polices or programs that address identified barriers to equity for all races and ethnic groups. • When developing new policies, programs, and practices, determine whether they have disparate impacts on any race or ethnic group. • Expand the existing Limited English Proficiency (LEP) Plan to all housing-related informational materials, presentations, and other outreach collateral. The City will analyze the demographic composition of the community annually to determine which languages should be accommodated. • Explore the expansion of the LEP to other housing and development programs and services provided by the City. • Continue to recruit a diverse and multi-lingual staff.
Timeframe:	• Conduct Study by December 31, 2022. • Implement policies and programs by December 31, 2023.

PROGRAM 4: CONSERVATION OF EXISTING HOUSING STOCK

The programs below demonstrate how the City shall conserve and improve the condition of the existing affordable housing stock.

PROGRAM 4A: Pursue Opportunities to Create Safe and Healthy Housing

The City has a number of accessory units that were constructed or converted illegally (without the benefit of building permits) prior to the City's incorporation and might not meet City codes. Recognizing that many of these units provide affordable housing that may not otherwise be available, the City adopted an Affordable Unit Policy (AUP) in 1993 to allow dwelling units built or converted without required permits to apply for legalization. In the period between January 1, 2010 and December 31, 2019, 42 units have been approved through the AUP program.

The City Council in November 2014 revised the compliance program with less restrictive, more preferential terms, which based on a number of Council authorized extensions are valid through June 2021. Here are the key changes:

- The unit must have existed prior to January 1, 2004. This is a change from the current policy that requires the unit to be in existence prior to incorporation in 1986.
- The unit must be reserved as affordable housing for "low" income households for a period of twenty (20) years. This is a change from the current policy that requires the affordability restriction in perpetuity.
- The standard AUP application fee ($900) may be waived for property owners that qualify as low/very-low income.

The City successfully sponsored amendments to State law that permit more flexibility in applying past building codes to units constructed without permits. Some units constructed without permits may also be able to be legalized under new State ADU regulations if they can meet current building codes, or if code deficiencies do not pose a health or safety hazard.

The City continues to monitor the program and adjust the policy as needed to maximize participation, while ensuring the protection of public health and safety, as well as compliance with State law. The City periodically markets the program to homeowners via City newsletter, website, and/or flyers at public counters.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • City Council
Objectives:	• Allow units built without permits to continue to house residents in healthy and safe housing.
Timeframe:	• March 2021 consider further extension of the AUP Program.

PROGRAM 4B: Assist in Rehabilitating Housing

The City's current Residential Rehabilitation Program provides grants and/or low interest, deferred, and/or forgivable loans for building code violations, health and safety issues, essential repairs, upgrades of major component systems, and modifications to accommodate disabilities. The assistance is available to low-income homeowners and to owners of rental units that will rent to low-income households. The key funding source available for the rehabilitation program comes from Community Development Block Grants (CDBG). The City anticipates that funding allocated

over an eight-year period, from 2021 to 2029, will help administer assistance to about 40 households. The estimated funding amounts are not known until federal appropriations for each fiscal year are finalized and HUD notifies the City of the yearly grant amount. Subject to federal funding, the City will look to assist an average of five households annually (ranging from single-family, multi-family, and mobile homes).

The majority of the City's housing stock is over 50 years old, and two cases of lead poisoning have been reported in the City. The City will ensure that education regarding the possibility of lead poisoning is included in its materials regarding housing rehabilitation.

Funding:	• Community Development Block Grants
Responsible Agencies:	• Development Services Department • City Council
Objectives:	• Assist low-income households in achieving healthy and safe housing and provide education regarding the possibility of lead poisoning in older homes. • Assist an average of 5 households a year. • Proactively target areas of concentrated rehabilitation needs and ensure that residents are not displaced due to City-financed improvements. • Annually promote the program at the beginning of each fiscal year through the Senior Center, HOAs, NextDoor and other organizations and media as applicable.
Timeframe:	• Ongoing, with annual appropriations

PROGRAM 5: AFFIRMATIVELY FURTHERING FAIR HOUSING

The programs below identify actions that will promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, family status, or disability.

PROGRAM 5A: Affirmatively Further Fair Housing

The City of Encinitas receives Community Development Block Grant (CDBG) funds the Federal Department of Housing and Urban Development (HUD), which requires a Regional Analysis of Impediments to Fair Housing Choice. As a recipient of these funds, the City certifies that it will affirmatively further fair housing and utilizes these funds to further the efforts of affordable housing in the City and to affirmatively further fair housing.

In accordance with Federal and State fair housing and Housing Element law, the City will affirmatively further fair housing choice and promote equal housing opportunity. The City is a participant in the regional planning efforts to reduce impediments to fair housing choice and to affirmatively further fair housing through education, testing and enforcement activities. To affirmatively further fair housing in Encinitas, the City will work with regional and local partners to identify, address and eliminate housing discrimination as identified in the Regional Analysis of Impediments to Fair Housing Choice (AI). The City collaborates with other jurisdictions in San

Diego County through the San Diego Regional Alliance for Fair Housing (SDRAFFH), to prepare the San Diego County AI every five years.

The AI identifies specific local actions that can be taken to expand fair housing choices for all and contains a jurisdiction-specific analysis as well. The current AI for FY 2020-2025, adopted by the City Council in June 2020, identifies the following regional impediments to fair housing within jurisdictions in San Diego County:

- Fair housing information needs to be disseminated through many media forms to reach the targeted groups.
- Hispanics and Blacks continue to be under-represented in the homebuyer market and experience large disparities in loan approval rates. This is a particular issue in Encinitas.
- County Housing Choice Voucher holders tend to be concentrated in El Cajon and National City.
- Housing choices for special needs groups, especially persons with disabilities and seniors, are limited.
- Fair housing enforcement activities such as random testing are limited.
- Patterns of racial and ethnic concentration exist in the region, although there are no racially or ethnically concentrated areas of poverty in Encinitas.

The AI also identified jurisdiction-specific impediments. The AI identified the following impediments specific to Encinitas: the need for the City to update its ordinances to be consistent with legislation adopted in 2019 regarding density bonuses, accessory dwelling units, low barrier navigation centers, and supportive housing.

Programs 2D and 2E require the City to adopt the required ordinance changes, although the City applies current State law in reviewing housing development applications even if it has not adopted an updated ordinance. The accessory dwelling unit updates have been adopted by the City since the AI was adopted.

According to the current AI, and further discussed in Appendix B of the Housing Element, other fair housing issues in Encinitas include possible discrimination by landlords, religious hate crimes, and access to loans by non-white households. To help identify and address issues of discrimination, the City currently contracts with Legal Aid Society of San Diego, funded by CDBG funds, to provide fair housing and landlord/tenant services to residents and landlords in Encinitas. Legal Aid helps mediate disputes and will assist with filing fair housing complaints, and the City refers complaints to Legal Aid. Legal Aid also conducts free educational workshops for housing providers and tenants and conducts fair housing testing to ascertain if fair housing issues are occurring in the City.

In Encinitas, affirmatively furthering fair housing means the elimination of discrimination in all aspects of housing, including home sales, rentals, housing policies and financing. Furthermore, the City of Encinitas' residents are entitled to equal access to housing opportunities regardless of their race, color, religion, sex, national origin, disability/medical conditions, familial status, marital status, age, ancestry, sexual orientation, gender identity, gender expression, source of income or any other arbitrary reason.

The City is addressing local fair housing impediments in the Regional Analysis of Impediments to Fair Housing Choice. The City will continue to partner with other government and non-government

agencies to advance fair housing protections and expand implementation and enforcement of fair housing laws and regulations. The City will also continue to support the San Diego Regional Alliance for Fair Housing in the development of and subsequent amendments to the Regional Analysis of Impediments to Fair Housing Choice in the County of San Diego and implement its recommended actions.

The City also conducted its own analysis of access to opportunity and the presence of racially or ethnically concentrated census tracts. (See Appendix B.) The City does not have any areas of high racial or ethnic dissimilarity nor any racially or ethnically concentrated areas of poverty. No areas of the City have low access to opportunity, and racial and ethnic groups within the City have approximately equal access to opportunity. The sites designated as suitable for lower income housing are dispersed throughout the community. All areas in the City are designated as either high or very high opportunity areas in 2020 maps and proposed 2021 maps prepared by the Tax Credit Allocation Commission. The City recognizes HCD's concern regarding the mapping tools currently available to address all aspects of fair housing and will work to address any issues of racial and ethnic equity (3H) or displacement (Program 5C).

Funding:	• Development Services Department budget • San Diego Regional Alliance for Fair Housing (SDRAFFH)
Responsible Agencies:	• Development Services Department • Housing Authority • San Diego Regional Alliance for Fair Housing Choice

Funding:	• Development Services Department budget • San Diego Regional Alliance for Fair Housing (SDRAFFH)

Objectives:	• Contract with a suitable service provider to: a) undertake multimedia fair housing outreach using means such as social media, chat rooms, webinars, and community meetings, aimed at protected classes; and b) provide lending education and credit counseling, primarily to lower income households, to reduce disparities in loan approval rates and use of subprime loans.
	• Continue to contract with Legal Aid Society or other capable organization to review housing discrimination complaints, attempt to facilitate equitable resolution of complaints, and, where necessary, refer complainants to the appropriate state or federal agency for further investigation and action. Include provisions for a minimum of three fair housing tests a year in the contract, aimed at both landlords and lenders. Require Legal Aid to report to the City and to the media with its findings.
	• Provide more housing options for special needs groups, especially for seniors and persons with disabilities. Continue to enforce requirements for accessible units in new housing and encourage universal design principles in new housing developments. Support developments that provide housing for seniors. See Program 2E.
	• Complete the update to the Regional Analysis to the Impediments (AI) to Fair Housing Choice in partnership with regional agencies, and implement any additional actions contained in the AI.
	• As identified in the 2020-2025 AI, the City will promote the following actions:
	  • Promote the Housing Choice Voucher program. See Program 2C
	  • Increase housing options for special needs populations. See Program 2E
	  • Conduct random fair housing testing three times a year to identify issues, trends, and problem properties.
	  • Expand testing to investigate emerging trends of suspected discriminatory practices.
	  • Report to the media on fair housing complaint resolutions and litigation.
	  • Diversify and expand the housing stock to accommodate the varied housing needs of different groups. See Program 2B

Objectives:	• Provide fair housing education opportunities throughout the calendar year with targeted population and city staff to allow for meaningful discussions and dissemination of useful information. These educational opportunities may include but are not limited to workshops, one on one meetings and discussions, referral opportunities, and online and print educational resources. In addition, fair housing training should be provided to the general public through the educational outreach identified in Program 3F. • Provide annual fair housing trainings to City staff. • Work collaboratively with affordable housing providers to ensure affirmative fair marketing plans and de-concentration policies are implemented. • Coordinate with the Reinvestment Task Force to receive annual reporting from the Task Force on progress in outreach and education. • Increase collaboration with the jurisdictions in the San Diego region to address regional housing issues and implement the AI through continued membership in SDRAFFH. • Partner with local and regional organizations to discuss housing topics, including new housing policies and programs. See Program 3F. • The City will provide housing-related informational materials, presentations, and other outreach material in Spanish throughout the planning period. The City will analyze the demographic composition of the community annually to determine if additional languages should be accommodated. • Actively recruit diverse residents to serve or participate on boards, committees, and other City bodies.
Timeframe:	• Complete updates to Regional Analysis of Impediments in 2020 and 2025. • The City, and/or contractor, will provide fair housing education opportunities at least four times per year for targeted populations and City staff. • At least one annual fair housing training specifically for City staff. • The service provider, such as Legal Aid, under contract with the City, will conduct at least three fair housing tests annually and follow-up on a quarterly basis to ensure compliance of Encinitas landlords and property owners with fair housing laws. • Ongoing reporting to the media on fair housing complaint resolutions and litigation. • Annually collaborate with affordable housing providers to ensure affirmative fair marketing plans and de-concentration policies are implemented. • Annually contact the Reinvestment Task Force to receive annual reporting from the Task Force on progress in outreach and education. • Participate in regular meetings with SDRAFFH to address regional housing issues and implement the AI. • The City will analyze the demographic composition of the community annually to determine if additional languages should be accommodated. • Ongoing recruitment effort to increase diversity of residents to serve or participate on boards, committees, and other City bodies.

PROGRAM 5B: Reasonably Accommodate Housing for Persons with Disabilities

State law requires jurisdictions to analyze potential and actual governmental constraints on the development, maintenance and improvement of housing for persons with disabilities and demonstrate local efforts to remove or mitigate those constraints.

To ensure full compliance with reasonable accommodation procedures of the Fair Housing Act, the City adopted in November 2019 a Reasonable Accommodation Ordinance to establish procedures for the review and approval of requests to modify zoning and development standards to reasonably accommodate persons with disabilities, including persons with developmental disabilities. The procedures do not require any permit other than the reasonable accommodation request, involve no public notice unless the City's determination is appealed, and no fee is charged.

The City enforces Title 24 of the California Code of Regulations, which provides a comprehensive set of standards covering almost all-important areas of accessibility for persons with physical and sensory disabilities. To ensure continued compliance with reasonable accommodation procedures of the Fair Housing Act, the City will provide for annual review of requests for reasonable accommodations. Based upon this annual review, the City will update the Reasonable Accommodation Ordinance as appropriate.

To ensure the community is aware of reasonable accommodation policies and programs, the City will take specific actions to promote the Reasonable Accommodation Ordinance and disseminate this information to the general public, including underrepresented communities. The City will develop materials and outreach methods to increase public awareness and ease of access to policies, programs and processes addressing reasonable accommodation. These methods may include, but not limited to:

- Publishing of multilingual materials
- Directed outreach to historically underrepresented communities
- Development of online materials and use of social media
- Partnerships with local and regional service agencies for information dissemination

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department
Objectives:	• Annual review of requests for reasonable accommodations. • Develop outreach and dissemination programs and materials for the public and City staff.
Timeframe:	• Ongoing implementation of Ordinance • Develop outreach and dissemination materials by December 31, 2021.

PROGRAM 5C: Economic Displacement Risk Analysis

The City of Encinitas can reduce the impact of displacement when it occurs by preventing practices that increase or enable displacement. To determine if market force economic displacement is occurring due to development of new housing, increased housing costs, increase in non-resident occupied short-term rentals, or other factors, the City will conduct a study to determine if individuals and families are being displaced and to evaluate local conditions that may contribute to displacement. The study will analyze gentrification locally and will assess how new development, non-resident occupied short-term rentals, and community investments may potentially influence displacement. If this study shows that displacement is occurring, the City will develop an action program based on the identified causes of displacement, including specific actions to monitor and mitigate displacement. Annual review of the action program may result in modifications to further reduce displacement risk.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department
Objectives:	• Conduct a Displacement Risk Analysis Study to identify the local conditions that lead to displacement including the effect of non-resident occupied short term rentals on the housing supply and develop and implement an action program based on the results. • Identify potential partners to participate in the study that specialize in eviction-related topics related to displacement, such as the Legal Aid Society of San Diego. • Annually monitor program effectiveness.
Timeframe:	• Conduct study by December 31, 2022 • Establish action program by June 30, 2023 • Annual monitoring of action program

PROGRAM 6: AT RISK HOUSING

Government-assisted projects or units are or may be at-risk of conversion to market rate. At-risk units are occupied by seniors or lower income families who cannot afford to pay market rate rents and who could be displaced if the project or unit converts. Many of these units may convert to market rate as subsidy contracts or regulatory agreements expire. The programs below identify how the City will attempt to preserve assisted housing developments that are at risk of converting to market-rate.

PROGRAM 6A: Monitor "At-Risk" and Publicly Assisted Housing Projects

The Housing Element is required to include a program to monitor and preserve affordable housing units that are eligible to convert to non-low-income housing uses. All inventoried units eligible to prepay, opt-out, or terminate long-term use/affordability restrictions during the next 10-years are considered by HCD as "at-risk".

As described in Appendix B, no assisted units in the City are at risk of loss in the next 10 years; no unit is at risk of loss until 2049. However, the City will continue to monitor and review all assisted units so that it can act in advance of the loss of any units.

Funding:	• Development Services Department budget
Responsible	• Development Services Department
Objectives:	• Monitor the status of any Notices of Intent and Plans of Action filed by property owners to convert to market rate units. • Identify non-profit organizations as potential purchasers/managers of at-risk housing units. • Explore funding sources available to purchase affordability covenants on at-risk projects, transfer ownership of at-risk projects to public or non-profit agencies, purchase existing buildings to replace at-risk units or construct replacement units. • Ensure the tenants are properly noticed and informed of their rights, in particular, that they are eligible to obtain special Section 8 vouchers reserved for tenants of converted properties.
Timeframe:	• Ongoing

PROGRAM 6B: Continue to Provide Credit under the Inclusionary Ordinance for Preservation of At-Risk Housing

As part of the City's inclusionary ordinance, the City will provide credit for preservation of at-risk housing and for conversion of market-rate units to affordable units when consistent with Government Code Section 65583.1.

Funding:	• Development Services Department budget
Responsible Agencies:	• Development Services Department • City Council
Objectives:	• Allow developers to meet inclusionary requirements by preserving at-risk housing units or converting market-rate units to affordable when consistent with the provisions of Government Code Section 65583.1.
Timeframe:	• Ongoing

TABLE 2-5 QUANTIFIED OBJECTIVES (2021-2029)

	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	TOTALS
New Construction	235	234	369	308	408	1,554
Rehabilitation	---	---	40	---	---	40
Conservation and 'At-Risk'	20	---	---	---	---	20[1]
Section 8	84	10	2	---	---	96

The City does not have any projects 'At-Risk' in the 2021-2029 planning period; however, the City will continue to monitor the status of deed-restricted affordable housing units. Units reported account for AUP units anticipated to be legalized during the planning period.