



## **CITY OF MENIFEE**

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SUBJECT: 2023 General Plan Annual Progress Report

MEETING DATE: March 6, 2024

TO: Mayor and City Council

PREPARED BY: Doug Darnell, Principal Planner

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Receive and file the General Plan Annual Progress Report (APR) for 2023 as required by state law to show progress toward implementation of General Plan Goals and Policies.

### **DISCUSSION**

#### **General Plan Annual Progress Report**

The State of California Government Code Section 65400 requires that City and County Planning Departments provide an annual review to their legislative body, the Governor's Office of Planning and Research (OPR), and California Department of Housing and Community Development (HCD) on the status of the City's General Plan and progress. The report highlights completed areas of the General Plan and future priorities and amendments. State law requires that the annual report be completed and submitted to the State by April 1 of each year. The attached General Plan APR is for the 2023 calendar year (January 1, 2023, to December 31, 2023) and is an informational update to the City Council. The APR will be submitted to OPR and HCD following the March 6, 2024 presentation to the City Council.

The City's current General Plan, adopted December 18, 2013, includes eight General Plan Elements as follows:

Land Use, Housing, Circulation, Open Space and Conservation, Community Design, Economic Development, Safety and Noise Elements.

Each General Plan Element includes goals and policies for the City's vision for the future to year 2035. The 2023 APR provides an overview of key requirements and notable accomplishments as summarized below:

#### **General Plan Implementation Program Progress**

The General Plan contains an Implementation Program, which is comprised of program "Actions" to achieve the goals and policies of each General Plan element. The status of progress for each

of the program actions is listed in the attached APR and includes a description of how the City has met or implemented the program actions. For 2023, the most significant and notable accomplishments/actions towards implementing the General Plan include as follows (includes progress on 6<sup>th</sup> Cycle, 2021-2029, Housing Element Program Actions):

- Completion of Housing Element Program Action 5 – Development Code Amendment for by right approval of 20 percent low-income housing development on non-vacant housing inventory sites identified in the current adopted 6<sup>th</sup> Cycle Housing Element to accommodate the lower income housing need and which were identified in the City’s prior 5<sup>th</sup> Cycle Housing Element (adopted April 5, 2023).
- HCD determination that the City’s adopted 6<sup>th</sup> Cycle, 2021-2029 Housing Element is in full compliance with State law (April 5, 2023).
- Completion of Development Code Amendment (Code Amendment No. LR23-0012) updates to comply with latest State housing law, and to implement various Housing Element program actions (City Council introduced an Ordinance to approve the amendment on January 17, 2024; Ordinance adoption scheduled for February 7, 2024). Program Actions to be implemented with the Code Amendment include:
  - Program Action 6 – Accessory Dwelling Unit updates
  - Program Action 21 – Emergency Shelters, Transitional and Supportive Housing
  - Program Action 22 – Housing for Homeless People
  - Program Action 23 – Supportive Housing/Lower Barrier Navigation Centers
  - Program Action 24 – Housing for People with Disabilities
  - Program Action 26 – Farmworker and Employee Housing
  - Program Action 34 – Density Bonus
  - Program Action 36 – Definition of Family
- Program Action 9 (Senior Minor Home Repair Grant Program) - Assisted 12 households in 2023. The City also launched a new Minor Home Repair Grant Program in January 2023 available to homeowners up to 61 years of age. The City assisted 8 households for this program in 2023.
- Program Action 29 (Housing Market Impact Study) and Program Action 30 (Inclusionary Housing Feasibility Study) – Draft studies are complete and will be presented to the Planning Commission and City Council in early 2024.
- Program Action 35 (Encourage Development of Opportunity Sites) – Staff has completed draft marketing material/informational guide for housing opportunity sites to accommodate the City’s housing need as identified in the “Housing Sites Inventory” of the adopted 6<sup>th</sup> Cycle, 2021-2029 Housing Element. This information will be finalized and made available on City’s website and other methods in early 2024.
- City Council adoption of the 2023/24 through 2027/28 Capital Improvement Program (CIP) on June 7, 2023 consisted of over \$700 million in funding for 191 CIP projects over the next five years. Projects include:
  - 35 Transportation Projects
  - 25 Traffic Signals
  - 30 Street Improvement Projects
  - 33 Pavement Management Projects
  - 10 Drainage Projects
  - 4 Streetlights
  - 22 Public Facilities Projects
  - 29 Parks, Trails, and Recreation Projects

- 3 Technology and Infrastructure Projects
- Update of Parks and Recreation Master Plan to address park deficiencies adopted on July 19, 2023.
- Preparation of a Complete Streets Plan, which began in early 2023.
- Adoption of the Local Hazard Mitigation Plan (LHMP) on March 1, 2023.
- Completion of a Draft Broadband/Smart Cities Master Plan – anticipated adoption in 2024.

### **OPR General Plan Guidelines Compliance**

The APR includes discussion of OPR General Plan Guidelines Compliance topics related to the following:

- Collaborative planning with military lands and facilities (e.g., airport land use compatibility planning with March Air Reserve Base/Inland Port Airport);
- Collaboration with native American tribes under Assembly Bill (AB) 52 as part of California Environmental Quality Act (CEQA) environmental review; and
- Environmental Justice Considerations such as Senate Bill (SB) 1000, which requires environmental justice policies to be included within general plans.

### **Housing Element Annual Progress Report**

State Law, specifically Government Code Section 65400, requires the City to provide an Annual Housing Element Progress Report to show progress on the General Plan Housing Element. This report provides an update on the progress in meeting Regional Housing Need Allocation (RHNA) and Housing Element program implementation in the 2023 calendar year. The 2023 Annual Housing Progress Report forms are included as Appendix B of the attached APR. Annual reporting specific to the Housing Element is also required at the same time as the General Plan APR. Therefore, the Housing Element APR is included as part of this General Plan APR.

The Housing Element is required to address how the City will facilitate the maintenance, improvement, and development of housing for all income groups and persons with disabilities and other special needs during the planning period, with a particular focus on affordable housing for those with incomes below the Riverside County median household income. The Housing Element of the General Plan must be updated every eight years. The time from one update to the next is called a housing cycle. The 2023 APR reporting period covers the 6<sup>th</sup> Cycle, 2021-2029, eight-year housing element planning period. The Housing Element is the only General Plan Element that requires review and approval by the State (i.e., certification by HCD).

On December 15, 2021, the City of Menifee adopted its 6<sup>th</sup> Cycle, 2021-2029 Housing Element; however, upon review of the adopted Housing Element by HCD, further revisions to the Housing Element were required for compliance with State law. The Housing Element was subsequently revised as required by HCD and re-adopted by the City on November 16, 2022. Additionally, for the City's Housing Element to be found in full compliance by HCD, the City was required to complete Program Action 5 of the Housing Element, involving a code amendment to comply with State law (Candidate Sites Used in Previous Housing Element) to allow by-right processing of sites identified in previous housing elements pursuant to Government Code section 65583.2, subdivision (c). Following HCD review of the City's adopted revised Housing Element and upon notifying HCD of the City's completion of Program Action 5 and adoption of the required code amendment, on April 5, 2023, HCD determined the City's Housing Element to be in full compliance with State law.

**Housing Element Progress in meeting RHNA.** RHNA is a housing production goal calculated by the Southern California Association of Governments (SCAG), based upon a State established goal, for the Housing Element planning period and provides data to assist cities in accommodating the estimated housing needs of the projected population and employment growth during the planning period.

State Housing law does not require that market-rate and affordable housing units be constructed to meet RHNA projections. Instead, State law requires that cities adopt policies, zoning standards, regulatory provisions, and review processes that will provide realistic opportunities for the private market to construct new units with minimal constraints to meet the established goal.

As shown in Table 1 below, the City's 6<sup>th</sup> cycle, 2021-2029 RHNA obligation is 6,609 units. The City's RHNA allocation is divided into four income categories (Very Low, Low, Moderate and Above Moderate-Income) based on the County of Riverside's median income for a family of four. The 2023 HUD Median Family Income (MFI) for Riverside County is \$94,500.

<b>Table 1: 6<sup>th</sup> Cycle RHNA Allocation (2021-2029)</b>				
<b>Income Category</b>	<b>% of Median Family Income</b>	<b>Income Range*</b>		<b>RHNA Allocation (Housing Units)</b>
		<b>Min.</b>	<b>Max.</b>	
Very Low Income	0-50% MFI	--	\$46,600	1,761 units
Low Income	51-80% MFI	\$46,601	\$74,550	1,051 units
Moderate Income	81-120% MFI	\$74,551	\$113,400	1,106 units
Above Moderate Income	>120% MFI	\$113,401	--	2,691 units
<b>Total:</b>				<b>6,609 units</b>
*Income range is based on the 2023 HUD Median Family Income (MFI) for Riverside County of \$94,500.				

Table 2, below, illustrates the City's 6<sup>th</sup> Cycle RHNA allocation and the number of building permits issued by affordability from January 1, 2023, through December 31, 2023. Building permits were issued for a total of 1,587 housing units for 2023.

<b>Table 2: Building Permits Issued – Number of Units by Affordability – 6<sup>th</sup> Cycle</b>												
<b>Income Category</b>	<b>RHNA</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Total Units to Date</b>	<b>Total Remaining RHNA</b>
Very Low	1,761		4								4	1,757
Low	1,051		4								4	1,047
Moderate	1,106	1	5	14							20	1,100
Above Moderate	2,691	287	892	1575							2,754	0
<b>Total RHNA</b>	<b>6,609</b>	<b>288</b>	<b>905</b>	<b>1589</b>							<b>2,782</b>	<b>3,890</b>

Table 3, on the following page, provides a breakdown of number of units by housing type (single-family attached, single-family detached, 2-4 units, multi-family 5+ units, accessory dwelling units and mobile/manufactured homes) for building permits issued in 2023. Building permits were

issued for 1,227 detached single-family units, 341 multi-family units (5 or more units), 13 accessory dwelling units, and 8 mobile/manufactured home units in 2023.

<b>Table 3: Building Permits Issued in 2023 – Number of Units by Structure Type</b>		
<b>Structure Type</b>	<b>Permitted</b>	<b>Completed</b>
Single-Family Attached	0	0
Single-Family Detached	1,227	646
2 to 4 Units per Structure	0	0
5 Units per Structure	341	0
Accessory Dwelling Unit	13	2
Mobile/Manufactured Home	8	5
<b>Total</b>	<b>1,589</b>	<b>653</b>

In conclusion, this 2023 APR serves to comply with State requirements to report annually on the progress of the General Plan implementation including specific requirements for reporting on the City's Housing Element and reflect the many accomplishments towards implementing the City of Menifee General Plan.

#### **Planning Commission – February 14, 2024**

The 2023 General Plan APR was presented to the Planning Commission at the regularly scheduled meeting on February 14, 2024.

#### **Environmental Determination**

This report is an informational item only and does not constitute a "project" subject to environmental review per CEQA.

#### **STRATEGIC PLAN OBJECTIVE**

Thriving Economy

#### **FISCAL IMPACT**

There is no additional fiscal impact associated with the recommended action.

#### **ATTACHMENTS**

1. 2023 General Plan APR
2. Appendix A – 2023 GP Implementation Actions Progress Tale
3. Appendix B – 2023 Menifee Housing Annual Progress Tables