



AGENDA REPORT

Community Development

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| DATE: | May 27, 2025 |
| TO: | Mayor Martinez and Members of the City Council |
| FROM: | Lina Velasco, Director of Community Development Avery Stark, Planning Manager |
| Subject: | 2024 Housing Element Annual Progress Report |
| FINANCIAL IMPACT: | There is no fiscal impact for the proposed action; however, jurisdictions who fail to submit the required Annual Progress Report to the California Department of Housing and Community Development are ineligible to apply for certain grant funds (e.g., One Bay Area grants). |
| PREVIOUS COUNCIL ACTION: | Click or tap here to enter text. |
| STATEMENT OF THE ISSUE: | California Government Code Section 65400 requires jurisdictions (cities and counties) to prepare an Annual Progress Report (APR) to their legislative body, the State Department of Housing and Community Development (HCD), and the Governor's Office of Planning and Research (OPR) describing the status of implementing the General Plan Housing Element. The 2024 APR includes information on the City's progress in addressing the Regional Housing Needs Allocation (RHNA) and the status of housing policies/programs listed in the 2023-2031 City of Richmond Housing Element. |
| RECOMMENDED ACTION: | ADOPT a resolution accepting the 2024 Annual Progress Report for the City's Housing Element (2023-2031)-Community Development Department (Lina Velasco/Avery Stark 510-620-6714). |

DISCUSSION:

California Government Code Section 65400 requires jurisdictions to prepare and submit an Annual Progress Report (APR) to the California Department of Housing and Community Development (HCD), and the Governor's Office of Planning and Research (OPR) describing the status of implementing the General Plan Housing Element. The APR includes information on the City's progress in addressing the Regional Housing Needs Allocation (RHNA) and the status of housing policies/programs listed in the 2023-2031 City of Richmond Housing Element. The RHNA is allocated to Bay Area cities by the Association of Bay Area Governments for a planning period. The planning period for the current RHNA is 2023-2031. Below is a summary table of Richmond's RHNA and unit performance for the current planning period.

Table A: Richmond RHNA Progress and Permitted Units by Affordability

| Income Level | RHNA Allocation by Income Level | Permitted Units (2023-2031) | Total Remaining RHNA by Income Level |
|---------------------|--|------------------------------------|---|
| Very Low | 840 | 14 | 826 |
| Low | 485 | 10 | 475 |
| Moderate | 638 | 24 | 614 |
| Above Moderate | 1,651 | 278 | 1,373 |
| Total Units | 3,614 | 326 | 3,288 |

HCD provides forms and instructions for preparation of the APR. The APR provides a snapshot of housing unit production across affordability levels and provides an update on housing program implementation. The APR must be considered by the Council at a public meeting, during which the City should receive any public comments. The City submitted a copy of the APR to HCD and OPR by the deadline of April 1, 2025.

The City completed a comprehensive update of the Housing Element in 2023 for the 8-year review and update cycle established by the Association of Bay Area Governments. As part of the 6th cycle, the 2023-2031 City of Richmond Housing Element was adopted on January 24, 2023, and certified by HCD on October 2, 2023.

The 2024 APR provides the number of housing units for which the City issued building permits, both in the aggregate and by affordability levels according to State-defined income levels, during calendar year 2024 (Attachment 2). The APR also identifies progress made on implementation programs included in the City's Housing Element. It should be noted that timelines assigned to the various implementation programs are estimates only, subject to resource availability. In summary, the City entitled 299 residential units, 143 building permits were issued, and 107 units received certificates of occupancy in 2024. On average, the City should be issuing 411 building permits per year to achieve its RHNA of building

3,288 units over the 8-year planning period. The City is at approximately 10% of its RNHA goal. The City should be at 25% by end of year two; however, the good news is that the City has several 100+ unit developments in its approved project pipeline so can make up some of its deficit in the upcoming years.

ENVIRONMENTAL REVIEW:

HCD reporting requirements do not constitute a “project” within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

SYNERGISTIC POLICIES:

This action is consistent with Housing Element Program 1.H. Annual Progress Reports which call for the City to utilize the forms and definitions adopted by the State HCD to prepare Annual Progress Reports on the ongoing implementation of the City’s Housing Element Programs.

CONCLUSION:

This is an annual obligation of the City, and City staff are seeking City Council acceptance, by resolution (see Attachment 1), of the 2024 Housing Element Annual Progress Report. Historically, the City of Richmond has maintained a commitment to developing affordable housing and currently has 3,619 affordable housing units City-wide.

DOCUMENTS ATTACHED:

Attachment 1 – Draft Resolution

Attachment 2 – 2024 Annual Progress Report