

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

LEGISLATIVE INITIATIVE FOR THE PURPOSE OF SEEKING RELIEF FROM CERTAIN STATE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT AND SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REQUIREMENTS AND REGIONAL HOUSING NEEDS ALLOCATION CREDIT FOR TOWN OF APPLE VALLEY ACQUISITION/REHABILITATION/SALE-RESALE PROGRAMS

Summary Statement:

Over the last few months, the Town Council has conducted two detailed discussions regarding Town of Apple Valley housing programs, projects and activities. These discussions, supplemented by a Housing Workshop conducted by the Town Council some time ago, has enabled Council and staff to begin the process of developing, shaping and implementing housing activities best suitable for the Town of Apple Valley and the current economic climate that has impacted some of the fundamental assumptions of housing programs, regulations and statutes currently in place. Indeed, it is the extraordinary recessionary climate that has generated untold numbers of affordable housing opportunities for eligible households, and has reduced the median price of housing in San Bernardino County by more than 137%.

As the Council is aware, the Southern California Association of Governments (SCAG) allocates to each jurisdiction its share of the SCAG region's regional housing needs. This process is called the Regional Housing Needs Allocation (RHNA) and Apple Valley's allocation is 3,889 units for the planning period that began in 2006 and ends in 2014. The RHNA requires Apple Valley, and all other jurisdictions, to develop housing units over the six-year planning period that are affordable to households making from 30%--120% of County Area Median Income (AMI). As a corollary to this, it is the state Housing and Community Development Department (HCD) that determines the sufficiency of various housing programs in meeting a community's RHNA requirements. Put simply, it is the state HCD that determines whether or not a community will receive credit against its RHNA share. The HCD analysis is esoteric, but suffices it to say not all affordable housing programs receive credit against a community's RHNA share.

Recommended Action:

That the Mayor and Town Council authorize and direct staff, and the Town's Sacramento lobbyist, to initiate and take all appropriate actions to secure a budget amendment/rider that will enable the Town of Apple Valley to receive credit against its Regional Housing Needs Allocation share of affordable housing units through the implementation of a Town acquisition/rehabilitation/sale-resale program.

Proposed by: Assistant Town Manager, Econ. & Comm. Dev. Item Number _____

T. M. Approval: _____ Budgeted Item Yes No N/A

Subject Item (Continued):

LEGISLATIVE INITIATIVE FOR THE PURPOSE OF SEEKING RELIEF FROM CERTAIN STATE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT AND SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REQUIREMENTS AND REGIONAL HOUSING NEEDS ALLOCATION CREDIT FOR TOWN OF APPLE VALLEY ACQUISITION/REHABILITATION/SALE-RESALE PROGRAMS

Summary Statement (Continued):

It is this last point that is at the core of this potential legislative initiative. With the number of foreclosed units on the market available as affordable housing opportunities, Town efforts to facilitate the acquisition, rehabilitation and sale of these units would not result in the Town receiving credit by HCD against its RHNA share. Because of the existing economic climate, it would seem that taking full advantage of the current affordable housing opportunities would be in the best interest of any community in the state. This is even more the case in the Victor Valley, the most affordable region in the state of California.

To change the situation as described herein can only be accomplished through a legislative initiative sponsored by the Town of Apple Valley. If adopted, the form motion contained in this staff report would begin that process. With the ongoing state budget deliberations, it is believed the opportunity to accomplish this important change to state HCD and SCAG requirements is the best it will be in the foreseeable future. As such, staff recommends adoption of the form motion.