



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 26-1295

Agenda Date: 3/25/2026

Agenda #: 13.

DATE: March 25, 2026

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

TITLE: ACCEPT AND FILE THE HOUSING ELEMENT ANNUAL PROGRESS REPORT FOR CALENDAR YEAR 2025

RECOMMENDATION

Staff recommends that the City Council accept and file the Housing Element Annual Progress Report (APR) for calendar year 2025 pursuant to Government Code Section 65400.

BACKGROUND AND ANALYSIS

Pursuant to Government Code Section 65400, each local jurisdiction within the state of California is subject to the preparation of an Annual Progress Report (APR) updating the status and progress towards implementing its General Plan Housing Element and meeting its Regional Housing Needs Allocation (RHNA). As part of this process, the APR for the prior calendar year must be considered at an annual public meeting before the local legislative body and provided to the Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year. The purpose of this agenda item is to fulfill that requirement.

The City's 2021-2029 Housing Element was adopted by the City Council on June 16, 2021, re-adopted on September 13, 2023, and certified by HCD on November 14, 2023. The current 6th cycle of the Housing Element covers the period of April 15, 2021 to April 15, 2029, during this period Oceanside was allotted a RHNA of 5,443 housing units at four income levels (1,268 - Very Low, 718 - Low, 883 - Moderate, and 2,574 - Above Moderate). This amount represents the number of housing units that Oceanside is expected to construct by the end of the 6th cycle. HCD uses the APR as a tool to track the number of housing units constructed during the eight-year housing element cycles and determine the City's progress in meeting its share of housing in accordance with the Regional Housing Needs Allocation (RHNA) process. This state-mandated process requires cities and counties to plan for their fair share of housing growth across all income levels. The APR also provides HCD with updates on the City's implementation of housing programs outlined in the Housing Action Plan of the Housing Element.

ANALYSIS

The Planning Division of the Development Services Department, in coordination with the Housing Division of Neighborhood Services, prepared the APR for calendar year 2025. The form identifies housing units currently under review as well as units for which entitlements, building permits, and

certificates of occupancy have been issued. The APR also includes the implementation status of each of the City’s housing programs included in the Housing Element’s Housing Action Plan. Furthermore, for the city to receive credit for meeting its housing obligation, the housing unit must be “issued” a building permit during the reporting period. In 2025, the City issued building permits for 900 housing units and certificates of occupancy for 454 housing units. These units provide for a range of household income levels. For the 2025 APR reporting year, the income categories have been expanded to not only include low, lower, moderate, and above-moderate housing levels but also acutely low-income and extremely low-income households.

In prior reporting years, units that were affordable to households making less than 50 percent of Area Median Income (AMI) were reported as very low-income. Extremely low-income units were estimated pursuant to Government Code 65583(a)(1), which assumes that extremely low-income need is equal to half of the very low-income RHNA allocation. As a result, earlier APRs do not contain accurate unit information for acutely low-income or extremely low-income units, and the counts for these categories appear only in the 2025 reporting year.

Table 1 lists the number of units that were issued a building permit or building final and the corresponding income level for each unit:

Table 1: Building Permits for Housing Units by Income Levels in 2025

Affordability Income Level	Building Permits Issued	Building Permits Finaled
Acutely Low	-	-
Extremely Low	12	-
Very Low Income	51	-
Low Income	103	13
Moderate Income	64	67
Above Moderate Income	670	374
Total:	900	454

Note: Table 1 shows a significant difference between the “number of building permits issued” versus the “number of building permits finaled” due to the time and complexity it takes to construct different types of housing units.

Table 2 below illustrates the City's progress toward its RHNA allocations, detailing the number of units by affordability level within the current housing cycle, by year.

Table 2: RHNA Progress by Income Level for 6th Cycle (April 15, 2021 - April 15, 2029)

Income Level	6 th Cycle RHNA Allocation by Income Level	2021	2022	2023	2024	2025	Total Units	Total Remaining RHNA by Income Level
Acutely Low	-	-	-	-	-	-	-	-

Extremely Low	-	-	2	62	3	12	79	79
Very Low Income	1268	26	2	62	44	51	264	1,004
Low Income	718	5	24	15	51	103	203	515
Moderate Income	883	67	127	127	101	64	549	334
Above Moderate Income	2,574	400	473	221	358	662	2,269	305
Total:	5,443	498	628	487	557	892	3,285	2,158

Note: All Acutely Low-Income and Extremely Low-Income units reported during the cycle are counted towards Very-Low income RHNA progress.

A copy of the completed APR is provided as Attachment 1. The following tables are applicable to the City’s 2025 APR:

- 1) **Summary:** Building Permits Issued by Affordability Summary - Permits issued by income level, number of units by structure type, and housing applications submitted.
- 2) **Table A:** Housing Development Applications submitted to the City in 2025, including Senate Bill 9 Lot Splits, ADUs, and Density Bonus Projects.
- 3) **Table A2:** Annual Building Activity Report Summary - Residential projects entitled, issued a building permit, or issued a certificate of occupancy. Only units that are issued a building permit are counted towards RHNA credit.
- 4) **Table B:** RHNA Progress - Permitted units issued by affordability level.
- 5) **Table D:** Program Implementation Status Pursuant to Government Code Section 65583 - Status of all housing programs provided in the Housing Action Plan (Chapter V of the Housing Element).

Note: Table C, Table E, Table F and F2, Table G ,Table H, Table J, Table K are excluded in the City’s 2025 APR as they are not applicable.

SUMMARY

In 2025, several major development projects completed the building permit process and received building final:

- North River Farms - Adopted November 6, 2019 (Zone Amendment 16 00005 adopted November 20, 2019); for 585 dwelling units.
- Cypress Point - Adopted June 22, 2022; located at Pala Road and Los Arbolitos Boulevard; 54 single family residences including 8 units reserved for low income households.
- Luma at El Corazón - Adopted April 19, 2021; approved for 268 apartment units.

- Whaley Street Single Family Homes - Located at Whaley Street and Kurtz Street; adopted June 22, 2022; includes preservation of 4 existing homes and construction of 8 new single family homes, including 1 very low income unit.
- South River Village - Located at College Boulevard and North River Road; ministerially approved May 11, 2023; 43 unit apartment building with 12 very low income and 31 low income units.
- Rio Rockwell - Adopted November 18, 2020; 104 units, including 11 low income units; located along North Old Grove Road and Frazee Road.

In 2025, The following projects were issued building permits in 2025 and are currently under construction. These developments are expected to receive building final in 2026:

- 1621 S Coast Highway - Located at S. Coast Highway and Morse Street; adopted December 15, 2021; 54 condominium units, including 5 very-low-income units.
- Modera Melrose - Located at Melrose Drive and Oceanside Boulevard; adopted June 21, 2023; 323 residential units, including 33 units reserved for very-low-income households.
- 2136 El Camino Real - Ministerially approved January 15, 2025; 111 units, including 12 extremely-low-income, 12 very-low-income, and 86 low-income units.
- Avocado Road - Located near Avocado Road and Dunstan Street; adopted December 6, 2023; 19 single-family homes, including 1 very-low-income unit.

In 2025, the following projects were submitted for building permit review in 2025 and are anticipated to receive permits in 2026 or within the current Housing Element cycle:

- Olive Park - Adopted January 27, 2025; 199 units, including 40 moderate-income units and 157 low-income units; located near College Boulevard and Olive Drive.
- Coast Villas - Ministerially approved August 12, 2025; 56 apartment units, including 19 extremely-low-income and 36 very-low-income units; located along Coast Highway and Eucalyptus Street.
- 701-713 Freeman Street - Adopted January 25, 2023; 24 units, including 2 very-low-income units.

FISCAL IMPACT

Does not apply.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Nathalie Vazquez, Associate Planner

Reviewed by: Darlene Nicandro, Development Services Director

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. 2025 Annual Progress Report