



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-649

Agenda Date: 3/26/2025

Agenda #: 21.

DATE: March 26, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

TITLE: ACCEPT AND FILE THE HOUSING ELEMENT ANNUAL PROGRESS REPORT FOR CALENDAR YEAR 2024

RECOMMENDATION

Staff recommends that the City Council accept and file the Housing Element Annual Progress Report (APR) for calendar year 2024 pursuant to Government Code Section 65400.

BACKGROUND AND ANALYSIS

Government Code Section 65400 requires each local jurisdiction to prepare an APR on the status and progress in implementing the Housing Element of its General Plan. 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.

HCD uses the APR to track the number of housing units constructed during the eight-year housing element cycle and determine the City's progress in meeting its share of housing in accordance with the Regional Housing Needs Assessment (RHNA). The APR also provides HCD updates on the City's implementation of housing programs outlined in the Housing Action Plan of the Housing Element. The current 6th cycle Housing Element extends from April 15, 2021, to April 15, 2029. During this current cycle, Oceanside's RHNA allocation is 5,443 units within four income levels (1,268 - Very Low, 718 - Low, 883 - Moderate, and 2,574 - Above Moderate).

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 Planning Division, in coordination with the Housing Division of the Neighborhood Services Department, prepared the APR for calendar year 2024 (attached). 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 provided in the Housing Action Plan of the Housing Element.

The City only receives RHNA credit for building permits "issued" during the reporting period. In 2024,

the City issued building permits for 554 housing units and certificates of occupancy for 676 housing units. These units provide for a range of household income levels (lower, moderate, and above-moderate). 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 2024

Affordability Income Level	Building Permits Issued	Building Permits Finaled
Very Low Income	44	90
Low Income	39	28
Moderate Income	101	96
Above Moderate Income	370	462
Total:	554	676

One of the most significant trends in addressing the community's housing needs and complying with state requirements has been the City of Oceanside's efforts to encourage the development of Accessory Dwelling Units (ADUs). Chapter V of the Housing Element outlines the goals and policies the City will implement during the 2021-2029 Housing Element, with Goal 1 focusing on providing housing opportunities for all Oceanside citizens. To support this goal, a variety of programs are included in Chapter V, such as Program 5, which specifically promotes the construction of ADUs through a streamlined review process with the objective of 32 ADUs per year.

Table 2 provides an analysis of the progress made toward achieving the City's objective of facilitating the development of 32 ADUs annually, which equates to a total of 256 ADUs over the 2021-2029 Housing Element cycle. The table highlights permit activity over the past four years:

Table 2: ADU Permits Received, Issued, and Finaled from 2021 - 2024

Year	ADU Permits Received	ADU Permits Issued	ADU Permits Finaled
2021	103	103	78
2022	125	124	79
2023	130	130	97
2024	169	123	109
Total	527	480	363

As shown in Table 2, the City has not only met but significantly exceeded its annual goal of facilitating 32 ADUs per year. Between 2021 and 2024, a total of 480 permits have been issued and a total of 363 building permits have received building permit final, surpassing the cumulative goal of 256 ADUs for the Housing Element cycle. This achievement reflects the success of the streamlined review process for ADU building permits, and the City's commitment to increasing affordable housing opportunities through ADUs as outlined in the City's 2021-2029 Housing Element.

Table 3 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 3: RHNA Progress by Income Levels for 6th Cycle (April 15, 2021 - April 15, 2029)

Income Level	RHNA Allocation by Income Level	Projection Period - 06/30/2020-04/29/2021*	2021	2022	2023	2024	Total Units	Total Remaining RHNA by Income Level
Very Low Income	1,268	-	26	2	62	44	134	1,134
Low Income	718	5	5	24	15	39	88	630
Moderate Income	883	63	67	127	127	101	485	398
Above Moderate Income	2,574	155	400	473	221	370	1,619	955
Total:	5,443	223	498	626	425	554	2,326	3,117

Note - building permits “issued” during the reporting period.

*Note - Projection Period includes units permitted since the start of the 6th cycle.

A copy of the completed APR is provided as Attachment 2. The following tables are applicable to the City’s 2024 APR as follows:

- 1) **Table A:** Housing Development Applications submitted to the City in 2024, including SB9 Lot Splits.
- 2) **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.
- 3) **Table B:** RHNA Progress - Permitted units issued by affordability level.
- 4) **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).
- 5) **Table H:** Locally Owned or Controlled Lands Declared Surplus Pursuant to Government Code Section 54221, or Identified as Excess Pursuant to Government Code Section 50569 - List/inventory of surplus land.
- 6) **Summary:** Building Permits Issued by Affordability Summary - Permits issued by income level, number of units by structure type, and housing applications submitted.
- 7) **Local Early Action Planning (LEAP) Reporting:** Status of City’s \$500,000 LEAP grant awarded for preparation of the General Plan Update, including funding and completion of

tasks as outlined in the grant work plan.

Note: Table C, Table E, Table F and F2, and Table G are excluded in the City's 2024 APR as they are not applicable.

FISCAL IMPACT

Does not apply.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

Does not apply.

Prepared by: Nathalie Vazquez, Associate Planner
Reviewed by: Darlene Nicandro, Development Services Director
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Annual Progress Report (APR) - Reporting Period January 1, 2024 - December 31, 2024