



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
PLANNING DEPARTMENT**  
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**NEVADA COUNTY BOARD OF SUPERVISORS  
Board Agenda Memorandum**

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**MEETING DATE:** March 28, 2023

**TO:** Board of Supervisors

**FROM:** **Brian Foss, Planning Director**

**SUBJECT:** Informational Report to the Board of Supervisors to review and accept the 2022 Housing Element Annual Progress Report, substantially in the form attached, pursuant to State of California Government Code Section 65400, and direct staff to submit the report to the California Department of Housing and Community Development and the Office of Planning and Research as shown in Attachment 1.

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**RECOMMENDATION:**

- I. Project Action: After reviewing and considering the 2022 Housing Element Annual Progress Report, accept the report substantially in the form attached, pursuant to State of California Government Code Section 65400, and direct staff to submit the report to the California Department of Housing and Community Development and the Office of Planning and Research as shown in Attachment 1.

**FUNDING:**

No budget amendments are required.

**ATTACHMENTS:**

1. 2022 Housing Element Annual Progress Report.
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**PROJECT DESCRIPTION:** The State of California Housing Law requires California cities and counties to submit a prescribed Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) by April 1 of each year. The 2022 Annual Progress Report contains a numeric and narrative review of the County's achievements in implementation of Housing

Element programs during calendar year 2022. This report is a standard procedural requirement and is being submitted for consideration by the Board of Supervisors as an informational update; preparation or review of the Annual Progress Report does not constitute an opportunity to amend the Housing Element. As has been required by California State Law, the Nevada County Planning Department has submitted yearly Housing Element Annual Progress reports to HCD and OPR by April 1 of each year. However, pursuant to Assembly Bill 879 (Grayson), approved as part of the 2017 Governors Housing Package, which amended California Government Code Section 65400(a)(2)(B) to require that the Housing Element Annual Report is also to be considered by the legislative body.

**STAFF COMMENT:** As part of the requirements of the revisions to State law, the 2022 Housing Element Annual Progress Report is being submitted to the Board of Supervisors for its consideration and acceptance. The 2019-2027 Housing Element, which is the Nevada County 6<sup>th</sup> Cycle, was adopted by the Board of Supervisors on June 25, 2019 via Resolution No. 19-362 and was certified by the California Department of Housing and Community Development on July 22, 2019. As discussed above, increased reporting requirements, which are now mandated by revisions to California State Law include the number of housing units approved for and disapproved each year as well as sites rezoned to accommodate the Regional Housing Needs Allocation. As required by California State Housing Element Law, this reporting period covers the 2022 Reporting Year from January 1 – December 31. Furthermore, these new requirements are exemplified in tables A2, C, E and F, F2, G, H, I, and J, as well as the Local Early Action Planning (LEAP) grant Reporting Table of the 2022 Annual Progress Report (*Attachment 1*). For the consideration of the Board of Supervisors, all Tables that are part of the 2022 Housing Element Annual Report have been included in Attachment 1. Tables which are blank have no data due to their not being housing development activity within those categories.

Pursuant to these new requirements, Table A2 provides a list of 2022 calendar year annual building activity by income level including Very-Low, Low, Moderate and Above-Moderate income levels. As shown on the Table A.2, Nevada County does not track the affordability of single or multi-family dwellings unless a housing unit is deeded restricted. For reporting purposes and for consistency with the RHNA methodology in the 2019-2027 Housing Element, it is assumed that 60% of all single-family units met the Above-Moderate criteria and 40% were affordable to Moderate Income, all fractions were rounded to Above-Moderate. Multi-Family units were assumed to meet the Very-Low income criteria. Accessory Dwelling Units were assumed to meet the Low-Income criteria. It is assumed that 50% of all manufactured homes met the Low-Income criteria and 50% met the Very-Low-Income criteria; if a 50/50 split was not achievable then the higher units were assigned to the Low-Income category. Table B of the 2022 Annual Report summarizes new residential building permits issued during the 2022 calendar year by income category as a measure of the Unincorporated County's progress toward meeting the 2019-2027 RHNA cycle. Table D of the report summarizes progress achieved in the implementation of statutory requirements and implementation of Programs of the 2019-2027 Housing Element cycle.

**ENVIRONMENTAL REVIEW:** Only “projects” are subject to the California Environmental Quality Act (CEQA). Projects are generally defined as activities that could result in an adverse direct or indirect physical impacts to the environment (CEQA Section 21065). CEQA Guidelines Section 15378(b)(5) further excludes from the definition of a project “Organizational or administrative activities of governments that will not result in

direct or indirect physical changes in the environment” from being subject to CEQA. The 2022 Housing Element Annual Progress Report contains a numeric and narrative review of the County’s achievements in implementation of Housing Element programs during calendar year 2022. This report is a statutory obligation and a standard procedural requirement and is being submitted for consideration by the Board of Supervisors as an informational update. The acceptance of the 2022 Housing Element Annual Progress Report would not result in the approval of specific housing projects. Nor will its acceptance result in changes to the physical environment. All future housing projects will require that a project-specific environmental review occur prior to specific project approval. Therefore, staff is recommending that the Board of Supervisors find the 2022 Housing Element Annual Progress Report is not a project and is not subject to CEQA review.

**SUMMARY:** The County is statutorily obligated to annually account for implementation of its Housing Element and achievement of its RHNA. Completion and timely submission of the Annual Progress Report fulfills this obligation. Therefore, staff recommends that the Board of Supervisors, after reviewing and considering the project and taking public testimony, accept the 2022 Housing Element Annual Report.

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**RECOMMENDATION:** Planning Department staff recommend that the Board of Supervisors take the following actions:

- I. **Project Action:** After reviewing and considering the 2022 Housing Element Annual Progress Report, accept the report substantially in the form attached, pursuant to State of California Government Code Section 65400, and direct staff to submit the report to the California Department of Housing and Community Development and the Office of Planning and Research as shown in Attachment 1, making finding A:
  - A. The 2022 General Plan Annual Progress Report is not a project and is exempt from the California Environmental Quality Act pursuant to Section 15378(b)(5) of the California Environmental Quality Guidelines.

**Item Initiated by:** Kyle Smith, Senior Planner

**Approved by:** Brian Foss, Planning Director