

No Net Loss Tracker				
	Very low/low income	Moderate income	Above moderate income	Total
Housing Element site capacity	1355	518	207	2080
Project capacity of Housing Element sites with entitlements	1178	0	0	1178
Remaining Housing Element site capacity	177	518	207	902
Projected ADU construction	250	300	450	1000
Projected moderate income	0	274	0	274
RHNA "projection period"	91	49	502	642
Housing Element sites with units entitled or under construction	350	0	1352	1702
Non-Housing Element sites with units entitled or under construction (excluding ADUs)	28	2	120	150
Subtotal	896	1143	2631	4670
RHNA allocation (2021-2029)	838	308	408	1554
Total capacity over RHNA (no net loss buffer)	58	835	2223	3116

No Net Loss Tracker Explanation Sheet

The City of Encinitas’ Housing Element has identified adequate sites for housing units with varying income categories (site inventory) to accommodate the regional housing needs assessment (RHNA) allocation. To keep our Housing Element in compliance, the City must ensure that there are a sufficient number of sites remaining on the site inventory, to achieve the total number of units projected and the number of units in each income category, throughout the duration of the 6th Cycle (2021- 2029). The City is required to monitor projects that have received approval “entitlements” and compare it to the site inventory and RHNA allocation. If the total number of housing units that have received entitlements is less than what is allocated in the Housing Element, or the housing unit’s income level is different than what is allocated in the Housing Element, then there is a net loss and HCD can deem the City’s Housing Element non-compliant. To keep the Housing Element in compliance, there can be “no net loss.”

The number of units provided in the tracker table for Housing Element and Non-Housing Element sites represent a projected number of units, as the number of units shown account for housing projects that have been entitled, under construction, or constructed. According to the California Department of Housing and Community Development (HCD), housing units do not count towards RHNA until building permits are issued. The most accurate number of units and statuses of housing projects are captured in the Annual Progress Report (APR) that is sent to HCD yearly.

The following provides a brief explanation of what each row of numbers means and where in the Housing Element you can learn more.

Housing Element site capacity	<p>The Housing Element contains a site inventory of properties where owners have expressed interest in, or that are suitable for, affordable housing developments based on specified criteria. The numbers represent the total number of residential units that could be built on the sites in the inventory by income category.</p> <p><i>Source: Appendix C, Site Inventory, Part 1 (very low/low) and Part 2 (moderate/above moderate)</i></p>
Total capacity of Housing Element sites with entitlements	<p>This is the combined unit site capacity identified in the sites inventory for Housing Element sites where a project has received approval (“entitlement”).</p>
Remaining Housing Element site capacity	<p>This number is derived from subtracting the total Housing Element site capacity from the combined entitled Housing Element site capacity.</p>
Projected ADU construction	<p>The Housing Element discusses the City’s flexible accessory dwelling unit (ADU) development standards and incentive program. Based on the City’s history of ADU production and affordability rates, the number of residential units shown in the tracker are the anticipated number of ADUs by income level that will be built, or under construction, by the end of the 6th Cycle.</p> <p><i>Source: Appendix B, Housing Profile Report: 12.1, pg. B-129</i></p>

<p>Projected moderate income</p>	<p>The Housing Element indicates that available market studies for the San Diego region found that properties developed with a primarily commercial land use that have mixed-use zoning, such as what is allowed in the Downtown and North 101 Specific Plan areas, are more likely to redevelop as a mixed-use residential project. The density, development standards, and site conditions of these sites support moderate-income housing as they encourage “affordability by design” in that the City limits the average unit size for development projects which leads to a variety of unit sizes in development projects. The number of residential units shown in the tracker anticipates that the moderate-income units will be built, or under construction, by the end of the 6th cycle.</p> <p><i>Source: Housing Element Policy Program: Section 1, Program 2B, pg. 1-25</i></p>
<p>RHNA “projection period”</p>	<p>The “projection period” is the time between Housing Element cycles for which the regional housing need is being calculated. In San Diego County, the projection period spans a six-month period that began on June 30, 2020, and ended December 31, 2020. The residential units shown in the tracker represent the number of units that have been permitted or entitled during the projection period. These units are credited toward the applicable 6th Cycle income category.</p> <p><i>Source: Housing Element Policy Program: Section 1, Program 1A, pg. 1-13</i></p>
<p>Housing Element sites with units entitled, under construction, or constructed</p>	<p>This indicates the number of residential units, by income category, for projects that are on sites identified as Housing Element sites and have received entitlement, are under construction, or have been constructed.</p>
<p>Non-Housing Element sites with unit entitled, under construction, or constructed (excluding ADU)</p>	<p>This indicates the number of residential units, by income category, for projects that are <i>not</i> on sites identified as Housing Element sites and have received entitlement, are under construction, or have been constructed.</p>
<p>Subtotal</p>	<p>This number adds the remaining Housing Element site capacity, projected ADU construction, projected moderate income units, units from the RHNA “projection period”, Housing Element sites with units entitled, under construction, or constructed, non-Housing Element sites with units entitled, under construction, or constructed, to obtain the subtotal of possible residential units by income category.</p>
<p>RHNA allocation (6th Cycle: 2021-2029)</p>	<p>The San Diego Association of Governments (SANDAG) and the California Department of Housing and Community Development (HCD) completed a regional housing needs assessment (RHNA) for the 6th Cycle Housing Element, which determined the existing and future housing needs for the City of Encinitas. The number of residential housing units for each income category (the “RHNA allocation”) shown in the tracker are required to be built, or under construction, by the end of the 6th Cycle.</p> <p><i>Source: Housing Element Policy Program: Section 1, 1.3.3, pg. 1-3</i></p>
<p>Total capacity over RHNA (no net loss buffer)</p>	<p>This number subtracts the subtotal from the RHNA allocation to depict the total remaining site capacity available for the remaining sites on the Housing Element sites inventory where a project has not yet received entitlement. If this number is reduced to below zero, then the City no longer has enough site capacity identified to accommodate the remaining RHNA allocation to keep the Housing Element in compliance.</p> <p><i>Source: Housing Element Policy Program: Section 1, Program 1A, pg. 1-16</i></p>