DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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July 19, 2021

Matthew Bassi, Planning Director Planning Department City of Wildomar 23873 Clinton Keith Rd., Suite 201 Wildomar. CA 92595

Dear Matthew Bassi:

RE: Review of Wildomar's 6th Cycle (2021-2029) Draft Housing Element Update

Thank you for submitting the City of Wildomar's draft housing element received for review on May 21, 2021 along with revisions received on July 2, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on June 29, 2021 with you and your consultants, Cynthia Walsh and Lucy Rollins of Placeworks.

The draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code):

 Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)

Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)

<u>Disproportionate Housing Needs and Displacement</u>: While the element includes some data on overcrowded units, cost-burdened households, and substandard housing conditions, it must also analyze displacement risk. For

example, the element could examine trends and volatility in rents and sales prices relative to ability to pay and patterns across the City.

Local Data and Knowledge and Other Relevant Factors: The element mentions local data and knowledge were used in the development of the analysis but should also describe the actual data and knowledge and consider supplemental outreach, including additional service providers and the planning department. Also, related to other relevant factors, the analysis should consider past zoning practices and supplemental demographics as appropriate.

Goals, Priorities, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of analysis described above. Goals and actions must specifically respond to the analysis and identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have metrics and milestones as appropriate and must address housing mobility, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

2. An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. (Gov. Code, § 65583, subd. (c)(1).)

Zoning Consistency: Several identified sites have a designation of Mixed-Use Planning Area but appear to be inconsistently zoned. For example, Site 9 appears to be zoned rural residential. To address this inconsistency, the element states the general plan takes precedence over zoning and rezoning is not required since density is dictated by the general plan. However, the element must clarify if the appropriate zoning is available to implement the general plan designation. For example, the element could clarify how development standards such as parking and heights are available (without rezoning) to achieve maximum allowable densities. If appropriate zoning is not available to identified sites, the element must include programs to make

zoning available including potentially complying with by right requirements pursuant to Government Code section 65583.2, sudivisions (h) and (i).

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

3. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)

Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)

<u>Processing and Permit Procedures</u>: The element mentions design guidelines but should specifically discuss approval bodies and approval findings for typical single family and multifamily development and analyze impacts on cost, supply, timing and approval certainty. Based on the outcomes of this analysis, the element should add or modify programs as appropriate to address identified constraints.

<u>Fees</u>: The element indicates fees are charged by other entities such as transportation impact fees but should also include those fees in the analysis of the cumulative impact of fees on residential development. Based on the outcomes of this analysis, the element should add or modify programs as appropriate to address identified constraints.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2021 for Southern California Association of Governments (SCAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: http://www.hcd.ca.gov/community-development/housing-element-memos/docs/sb375 final100413.pdf.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD appreciates your hard work and responsiveness provided during the course of our review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Gianna Marasovich, of our staff, at Gianna.Marasovich@hcd.ca.gov.

Sincerely,

Shannan West

Land Use & Planning Unit Chief