## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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July 13, 2021

Charles Bergson, City Manager City of Isleton P.O. Box 716 Isleton, CA 95641

Dear Charles Bergson:

## RE: Review of the City of Isleton's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Isleton's (City) draft housing element received for review on May 14, 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 conversation on June 30, 2021 with you, James Gates, and consultants Torie Jarvis, Brian Greer, and Ethan Mobley.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). In particular, the element must address zoning requirements for emergency shelters. The enclosed Appendix describes this and other revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6th cycle housing element was due May 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described in the Appendix, adopt, and submit to HCD to regain housing element compliance.

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 May 15, 2021 for Sacramento Area Council of Governments (SACOG) 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: <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375">http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375</a> 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 meets housing element requirements for these and other funding sources.

HCD appreciates the dedication shown by you, James Gates, and consultants Torie Jarvis, Brian Greer, and Ethan Mobley during our review. HCD is 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 Hillary Prasad, of our staff, at <a href="https://hillary.prasad@hcd.ca.gov">https://hillary.prasad@hcd.ca.gov</a>.

Sincerely,

Shannan West

Land Use & Planning Unit Chief

**Enclosure** 

# APPENDIX CITY OF ISLETON

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml">http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml</a>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <a href="http://www.hcd.ca.gov/community-development/building-blocks/index.shtml">http://www.hcd.ca.gov/community-development/building-blocks/index.shtml</a> and includes the Government Code addressing State Housing Element Law and other resources.

## A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

The review requirement is one of the most important features of the element update. The review of past programs should analyze the City's accomplishments over the previous planning period. This information provides the basis for developing a more effective housing program. A thorough program-by-program review is necessary to evaluate City's performance in addressing housing goals. As part of this analysis, the element must summarize the effectiveness and cumulative impact of the previous element's programs to address special needs populations.

## B. <u>Housing Needs, Resources, and Constraints</u>

1. 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))

The element, among other things, must include outreach, an assessment of fair housing, identification and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity. For more information, please contact HCD and visit <a href="https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml">https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml</a>.

2. Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)

<u>Housing Rehabilitation</u>: The element must include analysis of the condition of the existing housing stock and estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a recent

windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including non-profit housing developers or organizations. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml">http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml</a>.

3. 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).)

The City has a regional housing need allocation (RHNA) of 28 housing units, of which 8 are for lower-income households. To address this need, the element relies on vacant sites. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Realistic Capacity: The element must include an estimate of the number of units that can be accommodated on each site in the inventory. The estimate may rely on established minimum density standards or include analysis demonstrating how the number of units for each site was determined. (Gov. Code, § 65583.2, subd. (c).) The estimate should not be based on maximum densities allowed, and each site must be adjusted as necessary, based on the land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. The element must add support and examples for the buildout assumptions on residentially zoned sites. For additional information, see the Building Blocks at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning.</a>

Mixed-Use: As noted above, the element must include an estimate of the number of units that can be accommodated on each site in the inventory. The element must include support and examples for the assumptions of mixed use. For example, the element must demonstrate the likelihood for residential development in the MXU zone. The element could describe any performance standards mandating a specified portion of residential development, any standard allowing 100 percent residential development, and any factors increasing the potential for residential development such as incentives for residential use, as well as residential development trends in the MXU zone. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning</a>.

<u>Suitability and Availability of Infrastructure</u>: The element must demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities to accommodate the City's regional housing need for the planning period. (Gov. Code, § 65583.2, subd. (b).) For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental</a>.

<u>Previously Identified Nonvacant and Vacant Sites</u>: The sites inventory must indicate whether any sites were identified in previous planning periods. If nonvacant sites identified in a prior adopted housing element or vacant sites identified in two or more consecutive planning periods, the sites are inadequate to accommodate housing for lower-income households unless:

- The site's current zoning is appropriate for the development of housing affordable to lower-income households by either including analysis or meeting the appropriate density (Gov. Code, § 65583.2, subd. (c)(3).), and
- The site is subject to a housing element program that requires rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower-income households (Gov. Code, § 65583.2, subd. (c).).

The element must be revised to include analysis and add program(s) as appropriate.

Environmental Constraints: While the element generally describes flooding as a potential environmental constraint, it must analyze any other known environmental constraints within the City that could impact housing development in the planning period. (Gov. Code, § 65583.2, subd. (b).) For additional information and sample analysis, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental</a>.

<u>Affirmatively Furthering Fair Housing (AFFH)</u>: The element must identify and analyze the number of units, location, and assumed affordability on identified sites relative to all components of the assessment of fair housing. The element must also analyze and conclude whether the identified sites improve or exacerbate each of the fair housing issue areas.

<u>Water/Sewer Priority</u>: For your information, water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) Local governments are required to immediately deliver the housing element to water and sewer service providers. HCD recommends including a cover memo describing the City's housing element, including the City's housing needs and regional housing need. For additional information and sample cover memo, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml">http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml</a>.

Emergency Shelters: The element includes Program 2.9.2 (Zoning Code Amendments) which commits to allowing emergency shelters without a conditional use permit (CUP) or other discretionary action and describes consideration of both the R-M-2 and PID zones. Both zones must be analyzed in the housing element for adequacy. The element must describe the characteristics and suitability of the zone(s) for emergency shelters and demonstrate the permit processing, development, and management standards for emergency shelters are objective and encourage and facilitate the

development of, or conversion to, emergency shelters. Emergency shelters must only be subject to the same development and management standards applicable to residential or commercial development within the same zone except for those standards, including parking standards, prescribed by statute. (Gov. Code, § 65583, subd. (a)(4).) Please note, the element will not be found in compliance until the appropriate zoning is adopted with sufficient capacity to accommodate the need for emergency shelters. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb2">http://www.hcd.ca.gov/community-development/housing-element/housing-element/housing-element/housing-element/housing-element/housing-element/memos/docs/sb2</a> memo050708.pdf.

<u>Sites Inventory</u>: 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 (for all income levels). Please see HCD's housing element webpage at <a href="https://www.hcd.ca.gov/community-development/housing-element/index.shtml">https://www.hcd.ca.gov/community-development/housing-element/index.shtml</a> for a copy of the form and instructions. The City can reach out to HCD at <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a> 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 <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a>.

4. 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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). Transitional housing and supportive housing shall be considered a residential use of property, and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).)

Land-Use Controls: Table 6-2 lists the maximum height for all residential districts at 35 feet. The element must address whether the City also has a restriction on the number of stories or if three stories are allowed in each zone provided development meets the 35 foot requirement. Additionally, the element must analyze the 2-space multifamily and 1 space per accessory dwelling unit parking requirement for its impact as a potential constraint on housing. Should the analysis determine the parking standards or height limits are a constraint on residential development, the element must include a program to address or remove any identified constraints. For additional information and a sample analysis, see the *Building Blocks* at <a href="https://hcd.ca.gov/community-development/building-blocks/program-requirements/address-remove-mitigate-constraints.shtml">https://hcd.ca.gov/community-development/building-blocks/program-requirements/address-remove-mitigate-constraints.shtml</a>.

<u>Fees and Exaction</u>: The element must describe the total fees for a hypothetical single family and multifamily development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. For example, the analysis could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing. While the element includes some information, it should clarify whether fees differ between single family and multifamily projects, and if multifamily costs are presented per unit. For additional information and a sample analysis and tables, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/constraints/fees-and-exactions.shtml">http://www.hcd.ca.gov/community-development/building-blocks/constraints/fees-and-exactions.shtml</a>.

Local Processing and Permit Procedures: The element must describe and analyze the Planned Unit Development (PUD) process as a potential constraint. The element states that pursuant to General Plan policy IV-A-4, the maximum number of housing units per density category shall be considered an "entitlement" granted under special circumstances. The analysis should evaluate how the discretionary PUD process impacts the timing, predictability, and certainty of development. For additional information and a sample analysis, see the *Building Blocks* at <a href="https://hcd.ca.gov/community-development/building-blocks/program-requirements/address-remove-mitigate-constraints.shtml">https://hcd.ca.gov/community-development/building-blocks/program-requirements/address-remove-mitigate-constraints.shtml</a>. Additionally, the element should describe typical timeframes for the City to process both single family and multifamily development applications.

Constraints on Housing for Persons with Disabilities: The element must analyze zoning for group homes including both group homes for six and fewer residents as well as group homes for seven or more residents. The element should analyze the process and standards for approval of group homes as a potential constraint to the development of housing for persons with disabilities. For example, the element could describe whether group homes are allowed by-right or require a CUP, which zones allow group homes, and describe the regulatory process and requirements for group homes, including sober living homes, residential care facilities, and other types of shared housing. The element must add a program, as appropriate, allowing group homes in all zones that permit residential uses.

<u>Transparency</u>: The element must state whether the City complies with new transparency laws requiring all fees, inclusionary requirements, zoning and development standards for each parcel to be provided on the City's website pursuant to Government Code section 65940.1, subdivision (a)(1)(A-B). The element must include a program to address this requirement if it is not currently met.

<u>Local Ordinances</u>: The element must specifically analyze locally adopted ordinances such as inclusionary ordinances or short-term rental ordinances that directly impact the cost and supply of residential development. The analysis should demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters.

Employee Housing Act: The housing element must demonstrate the zoning is consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.). The element includes Program 2.9.2 (Zoning Code Amendments) which commits to bring the City into compliance with Government Code section 17021.6. However, it is unclear whether the City currently complies with Government Code section 17021.5, which requires employee housing for six or fewer employees to be treated as a single family structure and permitted in the same manner as other dwellings of the same type in the same zone. The element must provide analysis to demonstrate compliance with the law or include a program to become compliant. For additional information and sample analysis, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/farmworkers.shtml">http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/farmworkers.shtml</a>.

5. Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)

The element must quantify both the number of the persons with disabilities by type and estimate the number of families and persons experiencing homelessness. If Local Point in time data is unavailable, information regarding homeless individuals and families within the community can be found by contacting local Continuum of Care, local officials, special needs service providers, or City social and health service providers may be able to assist with information to complete the analysis. When possible, the estimate should be divided into single males, single females, and families (one or more adults with children) as the shelter needs of each subgroup differ significantly. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/zoning-for-variety-housing-types.shtml">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/zoning-for-variety-housing-types.shtml</a>. For additional information and a sample analysis, see the *Building Blocks* at <a href="https://www.hcd.ca.gov/community-development/building-blocks/housing-needs/people-experiencing-homelessness.shtml">https://www.hcd.ca.gov/community-development/building-blocks/housing-needs/people-experiencing-homelessness.shtml</a>.

#### C. Housing Programs

1. Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)

To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation: (2) definitive implementation timelines: (3)

objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

<u>Timing</u>: Discrete timing should be added for programs H-1.6.2 (Coordinate with Local and Regional Partners for Affordable Housing), H-1.6.4 (Pursue State and Federal Funding), H-4.5.1 (Assistance for Special-Needs Populations), H-4.5.3 (Coordinate with Alta California Regional Center), H-5.4.1 (Housing Rehabilitation), H-6.5.1 (Improve Sewer Capacity), H-6.5.2 (Local, State, and Federal Funding for Infrastructure), H-6.5.3 (Coordinate to Improve Flood Protection). In addition, program H-2.9.2 (Zoning Code Amendments) should be completed within the first two years of the planning period as multiple actions are carried over as unimplemented committed actions within the 5<sup>th</sup> cycle housing element.

2. 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. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)

As noted in Finding B3, the element does not include a complete site analysis, therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element should be revised as follows:

3. The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)

<u>Density Bonus</u>: The element must include a program to ensure the City's current density bonus ordinance is compliant with current state density bonus law. (Gov. Code, § 65915.) Additionally, as State Density Bonus Law is frequently amended, the program should commit to annual review and updates. A copy of the current law is available on HCD's website at

http://leginfo.legislature.ca.gov/faces/codes displaySection.xhtml?sectionNum=65 915.&lawCode=GOV. For additional information and a sample ordinance, see the Building Blocks at http://www.hcd.ca.gov/community-development/buildingblocks/program-requirements/assist-in-development-housing.shtml.

4. 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).)

As noted in Finding B4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

Zoning Code Amendments: The element must include a new program(s) or revise Program 2.9.2 to amend the zoning code to allow the following uses:

- Permanent Supportive Housing By-Right (AB 2162, Chapter 753, Statutes of 2018)
- Low Barrier Navigation Centers (AB 101, Chapter 159, Statutes of 2019)
- Single Room Occupancy units (Government Code § 65583, subdivision (c)(1) and § 65583.2, subdivision (c))

<u>Program 2.9.2 (Zoning Code Amendments)</u>: While Program H-2.9.2 commits to remove the CUP requirement for Accessory Dwelling Units (ADU), given recent and frequent changes to State law, it must also commit to adopt an ADU ordinance in compliance with ADU statute and should commit to annual review and updates. Additionally, Program 2.9.2 commits to adopting a zone that will allow emergency shelters without discretionary action. The program should also commit to establishing standards in compliance with Government Code section 65583, subdivision (a)(4)(A), including new parking standards established pursuant to AB 139 (Chapter 335, Statutes of 2019).

Reasonable Accommodation: The element must clarify the timing and implementation of the reasonable accommodation procedure. Program H-2.9.2 lists establishing a reasonable accommodation procedure by 2025, but Program H-4.5.2 lists an implementation date of distributing information on the reasonable accommodation procedure by 2023. HCD recommends all actions proposed under Program H-2.9.2 be implemented within two years of adoption of the housing element.

5. Promote and AFFH 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>Program to AFFH</u>: While the element includes Program H-3.7.2 which describes how the City participates in a regional plan to AFFH, it must also include actions that promote and AFFH opportunities. Existing programs could be expanded to incorporate AFFH principles. Programs should include actions to facilitate mobility enhancement, provide new housing choices and affordability in high opportunity areas, include place-based strategies for preservation and revitalization, and provide displacement protection. As one example, the element could include a

program committing to implement Government Code section 8899.50, subdivision (b), which requires the City to administer its programs and activities relating to housing and community development in a manner to AFFH and take no action that is materially inconsistent with its obligation to AFFH. For your information pursuant to Government Code section 8899.50 "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to AFFH extends to all public agency's activities and programs relating to housing and community development.

6. Develop a plan that incentivizes and promotes the creation of ADUs that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. (Gov. Code, § 65583, subd. (c)(7).)

The element is required to include a program that incentivizes or promotes ADU development for very low-, low-, and moderate-income households. This can take the form of flexible zoning requirements, development standards, or processing and fee incentives that facilitate the creation of ADUs, such as reduced parking requirements, pre-approved building plans, fee waivers and more. Other strategies could include developing information packets to market ADU construction, advertising ADU development opportunities at City Hall and other locations, or establishing an ADU specialist within the planning department. Merely providing basic ADU information on the City's website is insufficient to meet this requirement.

#### D. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(8).)

HCD understands the City did not make the element available to the public prior to submittal to HCD. By not providing an opportunity for the public to review and comment on a draft of the element in advance of submission to HCD, the City has not yet complied with statutory mandates to make a diligent effort to encourage public participation in the development of the element and it reduces HCD's ability to consider public comments in the course of its review. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including revising the document where appropriate. HCD's future review will consider the extent to which the revised element documents, including the AFFH analysis, were circulated and how the City solicited, considered, and addressed public comments in the element. The City's consideration of public comments must not be limited by HCD's findings in this review letter.

## D. Consistency with General Plan

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)

For your information, some general plan element updates are triggered by housing element adoption. For example, a jurisdiction must address environmental justice in its general plan by the adoption of an environmental justice element, or by the integration of environmental justice goals, policies, and objectives into other general plan elements upon the adoption or next revision of two or more elements concurrently on or after January 1, 2018. (Gov. Code, § 65302, subd. (h).) In addition, the safety and conservation elements of the general plan must include analysis and policies regarding fire and flood hazard management and be revised upon each housing element revision. (Gov. Code, § 65302, subd. (g).) Also, the land-use element must identify and analyze disadvantaged communities (unincorporated island or fringe communities within spheres of influence areas or isolated long established legacy communities) on, or before, the housing element's adoption due date. (Gov. Code, § 65302.10, subd. (b).) HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

http://opr.ca.gov/docs/OPR Appendix C final.pdf and http://opr.ca.gov/docs/Final 6.26.15.pdf.