

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

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



July 25, 2022

Gabriel Bautista, Director
Community Development Department
City of La Mirada
13700 La Mirada Boulevard
La Mirada, CA 90638

Dear Gabriel Bautista,

RE: City of La Mirada 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of La Mirada's (City) draft housing element received for review on May 3, 2022, along with revisions received on July 13, 2022. 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 15, 2022 with you and Marc Blodgett, Consultant. In addition, HCD considered comments from California for Homeownership pursuant to Government Code section 65585, subdivision (c).

The draft element addresses some statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6th cycle housing element was due October 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 above, adopt, and submit to HCD to regain housing element compliance.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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.

For your information, some general plan element updates are triggered by housing element adoption. 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: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the cooperation of the housing element team provided during the 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 me at paul.mcdougall@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF LA MIRADA

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 <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> 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 element includes a description of progress in implementation of programs from the previous planning period. However, the element must also evaluate the effectiveness of those efforts in meeting goals and address the appropriateness of actions moving forward in the housing element update. For example, the element includes Table 25 (Evaluation of Previous Housing Element Action Programs) to address these requirements but should clarify if programs are being removed or revised, as appropriate (pp. 80 to 85). For additional information and sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/review-revise.shtml>.

In addition, the element must provide an evaluation of the cumulative effectiveness of past goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female-headed households, farmworkers, and persons experiencing homelessness) and revise programs as appropriate.

B. Housing Needs, Resources, and Constraints

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).)*

Affirmatively Furthering Fair Housing (AFFH) Outreach: The element must describe outreach activities specific to AFFH, summary of comments and how comments were considered and incorporated into the analysis, contributing factors to fair housing issues and goals and actions.

Enforcement and Outreach Capacity: Fair Housing Enforcement and Outreach Capacity is not covered in the element. The element must describe the City's compliance with state and federal fair housing laws, including findings, lawsuits, enforcement actions, settlements, or judgments related to fair housing or civil rights. Additionally, the element should describe the capacity to address fair housing issues such as complaints, education and outreach and evaluate the number, characteristics, and results of fair housing complaints.

Patterns and Trends: While the element includes several maps, these maps are incomplete in addressing all the components of the assessment of fair housing (i.e., segregation and integration, concentrated areas of poverty and affluence, disparities in access to opportunity and disproportionate housing needs, including displacement risk). In addition, the element includes a generic description of the maps, but must also provide analysis of the patterns and trends. Patterns and trends will evaluate the spatial relationship of concentrations of socio-economic characteristics at a local level (comparing areas within the City such as census tracts) and regional level (comparing the City to the broader region). HCD will send samples under separate cover. The element should be revised to address the following:

- *Integration and Segregation:* The element must analyze patterns and trends for integration and segregation related to race and ethnicity, disability, familial status, and income both at the local and regional level to better understand patterns of socio-economic concentrations and formulate goals and actions.
- *Racially/Ethnically Concentrated Areas of Poverty (R/ECAP):* The element must provide a local and regional analysis for R/ECAPs and Racially Concentrated Areas of Affluence (RCAAs). Please see HCD's AFFH data viewer for additional information.
- *Disparities in Access to Opportunity:* The element provides some information on the Healthy Place Index and traffic (p. 91). However, the element must independently address disparities in access to opportunity. Specifically, the analysis must individually address access to opportunity for education, transportation, economic development, and environment. This analysis must be conducted at a regional and local level.
- *Disproportionate Housing Needs Including Displacement Risk:* While the element provides a local analysis for overcrowding (p. 102), the same must be done at the regional level. In addition, the element must include local and regional analysis for cost burden, substandard housing and homelessness. Additionally, the element must include an analysis for investment-driven, disinvestment-driven, and disaster-driven displacement (e.g., wildfire, earthquakes, and floods). Lastly, the element must analyze the data including looking at trends, patterns, and other local knowledge, and conclude with a summary of key issues.

Sites Inventory and AFFH: The element must include data on the location of regional housing need allocation (RHNA) sites relative to all fair housing components. The analysis should address the number of units by income group and location, any isolation of the RHNA by income group, magnitude of the impact on existing concentrations of socio-

economic characteristics and discuss how the sites improve fair housing conditions. The analysis should be supported by local data and knowledge and other relevant factors.

Local Data and Knowledge: The element should incorporate local data and knowledge of the jurisdiction into the AFFH section. To assist in meeting this requirement, the element should provide local data not captured in regional, state, or federal data analysis. For example, the element could utilize input from local service providers, neighborhood residents and advocates, local planning documents and City records.

Other Relevant Factors: The element must include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element can analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, history of lending practices and demographic trends.

Contributing Factors to Fair Housing Issues: Upon a full analysis of the AFFH section, the element should re-evaluate contributing factors to fair housing issues. In addition, the element lists several contributing factors, but it should also prioritize those contributing factors. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices. The analysis shall result in strategic approaches to inform and connect goals and actions to mitigate contributing factors to affordable housing.

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

2. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)*

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).)

Employment Trends: The element provides some broad and brief information on employment trends, but it should include additional data and analysis to better formulate policies and programs. For example, the element could examine employment by occupation, local jobs and wages relative to affordability, major employers and relationship to housing, proximity to jobs, predominant modes of transportation and opportunities for improvement. The element could utilize data available through Local Housing Data prepared by the Southern California Association of Governments (SCAG) at <https://scag.ca.gov/local-housing-data>.

Extremely Low-Income (ELI) Households: The element must analyze the housing needs of ELI households. This is particularly important given the unique and disproportionate needs of ELI households. For example, the element should analyze tenure, cost burden and other household characteristics then examine trends and the availability of resources to determine the magnitude of gaps in housing needs.

Housing Costs: While the element includes information on sales prices and rents from the American Community Survey, it should better reflect market conditions based on other data sources. Please consult SCAG's local housing data for additional data.

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).)*

RHNA Progress: The City's RHNA may be reduced by the number of new units built since July 1, 2021. The element mentions some constructed units (Table 22–RHNA Accommodation Summary); however, the element should discuss when those units were constructed, approved or proposed and how those units are affordable based on anticipated sales price or rent level of the units or other mechanisms ensuring affordability (e.g., deed-restrictions).

In addition, the element lists 296 with the Biola University Master Plan but must demonstrate whether those units can be utilized toward the RHNA in the planning period. College and university student housing may be considered noninstitutional group quarters and not a housing unit for purposes of meeting the RHNA. According to the census, college/university student housing includes residence halls and other buildings, including apartment-style student housing, designed primarily to house college and university students in group living arrangements either on or off campus. The element should verify the Biola University Master Plan meets the census definition of a housing unit and is not considered group quarters. For further information on whether this housing project meets the definition of a housing unit, please consult with the Department of Finance at (916) 323-4086. In addition, if the element demonstrates these units can be counted toward the RHNA, it must also demonstrate affordability as described above and should discuss the status and anticipated schedule of the Master Plan to demonstrate the number of units being utilized in the planning period.

Parcel Listing: The element lists parcels by various statutory factors such as parcel number, size and general plan designation. However, the element should also list sites by zoning designation, include a calculation of the realistic capacity of each site and specifically designate how many units are allocated for each affordability category (e.g., lower, moderate, and above moderate income).

In addition, the description of existing uses should be detailed sufficiently to facilitate an analysis of the potential for redevelopment in the planning period. For additional information and sample sites inventory, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/inventory-of-land-suitable.shtml>.

Realistic Capacity: The element must include a methodology for calculating the realistic residential capacity of identified sites. The methodology must be adjusted as necessary, based on the land use controls and site improvements and typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction. For example, the element could clearly list other recent projects, the zone, acreage, built density, allowable density, level of affordability and presence of exceptions such as a density bonus.

In addition, the methodology must account for zoning that allows 100 percent non-residential uses. For example, the element mentions a mixed-use overlay designation and as a result should discuss whether 100 percent nonresidential uses are allowed by the overlay and base zone then discuss the likelihood of 100 percent nonresidential uses (based on past trends) and account for that likelihood in the calculation of residential capacity. For example, the element could analyze all development activity in these non-residential zones, how often residential development occurs and adjust residential capacity calculation, policies and program accordingly. This analysis should address all zones being utilized toward the RHNA that allow 100 percent nonresidential uses.

Suitability of Nonvacant Sites: The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites. The analysis shall consider factors including the extent to which existing uses may constitute an impediment to additional residential development, the City's past experience with converting existing uses to higher density residential development, the current market demand for the existing use, an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

In addition, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Finally, the element identifies sites with existing residential uses. Absent a replacement housing policy, these sites are not adequate sites to accommodate lower-income households. The replacement housing policy has the same requirements as set forth in Government Code section 65915, subdivision (c), paragraph (3).

Small and Large Sites: Sites smaller than a half-acre or larger than ten acres in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size and affordability were successfully developed during the prior planning period or other evidence that demonstrates the adequacy of these sites to accommodate housing for lower-income households. The element appears

to identify several sites less than a half-acre, but their anticipated affordability is not identified. If utilizing these sites toward the lower-income RHNA, the element must demonstrate the suitability of these sites based on past trends, including experience and potential for consolidation and appropriate policies and programs.

Sites Identified in Prior Planning Period: Sites identified in prior planning periods (vacant sites identified in two planning periods or nonvacant sites identified in prior planning period) shall not be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within three years. The element should clarify if sites were identified in prior planning periods and if so, which sites and include a program if utilizing previously identified sites in the current planning period.

Accessory Dwelling Units (ADU): ADUs may be counted toward the RHNA based on past permitted units and other factors. In the element, the City projects 120 ADUs to be constructed over the planning period, averaging 15 ADUs per year (p. 60). This projection was based on figures provided based on permitted ADUs between 2018-2022. However, Table 23 (Overview of Quantified Objectives for New, Conserved, and Rehabilitated Housing) indicates 240 ADUs will be constructed and should be corrected to assure the element is internally consistent. In addition, the element must clarify the affordability assumptions being utilized and demonstrate their validity based on actual or anticipated rents or other mechanisms ensuring affordability.

Environmental Constraints: The element indicates any redevelopment may require the remediation of contaminated soils or the removal of lead, asbestos, and other hazardous materials associated with the previous use (p. 51). However, the element must describe any known environmental constraints or other conditions that impact housing development in the planning period. This analysis should address the impacts of any conditions on identified sites and ensure no constraints or conditions exist that preclude development on identified sites in the planning period.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. 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.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* While the element mentions zoning was amended to allow emergency shelters, it must demonstrate compliance with statutory requirements. The analysis must clarify emergency shelters are permitted without discretionary action, discuss available acreage in the zone, including typical parcel sizes and the presence of reuse opportunities. In addition, the analysis should address proximity to transportation and services, any conditions inappropriate for human habitability and development standards, including parking, compliance with statutory

requirements. For parking, the element must demonstrate compliance with AB 139, which only requires parking sufficient and necessary for all staff working in the emergency shelter. Based on the outcomes of the analysis, the element should add or modify programs as appropriate.

- *Low Barrier Navigation Centers*: Low Barrier Navigation Centers shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65660. The element must demonstrate compliance with this requirement and include programs as appropriate.
- *Permanent Supportive Housing*: Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.
- *Single Room Occupancy (SROs)*: The element indicates SROs are allowed in the mixed-use overlay in conjunction with commercial development, However, the element should discuss how this zoning facilitates development, including reuse opportunities and add or modify programs as appropriate.
- *Employee Housing*: Health and Safety Code section 17021.5 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 demonstrate zoning in compliance with this requirement or add or modify programs as appropriate.
- *Manufactured Housing*: The element must demonstrate the jurisdiction's zoning code allows and permits manufactured housing on a permanent foundation in the same manner and in the same zone as single-family housing (Government Code Section 65852.3). The element must demonstrate zoning complies with this requirement or add or modify programs as appropriate.

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... (Gov. Code, § 65583, subd. (a)(5).)*

Land Use Controls: The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address R-2 and R-3 parking (1.5 to 2 spaces per unit plus 1 for each bedroom greater than 2) (Table 16) and residential unit caps in specific plans. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints.

In addition, the element should discuss how the City complies with State Density Bonus Law (SDBL) pursuant to Government Code section 65915. The discussion should address whether there is an ordinance and the general process for requesting and approving benefits of SDBL. Based on the outcomes of this discussion, the element should add or modify programs.

Processing and Permit Procedures: The element includes some discussion of the certificate of compatibility review that includes site plan and design review and then lists approval findings. However, the element should also analyze the findings for impacts on timing, cost and, most importantly, approval certainty. For example, the findings include demonstrating developments are “aesthetically compatible”. The analysis should specifically address this decision-making standard, including how it is implemented and met and whether the apparent subjectivity impacts approval certainty. Based on the outcomes of the analysis, the element should add or modify programs.

SB 35 Streamlined Ministerial Approval Process: The element must clarify whether there are written procedures to implement SB 35 (Chapter 366, Statutes of 2017) and add or modify programs to establish a procedure if necessary.

Building Codes and Enforcement: The element must describe the City’s building and zoning code enforcement processes and procedures, including any local amendments to the building code, and analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

On/Off-Site Improvements: The element must identify subdivision level improvement requirements, such as minimum street widths (e.g., 35-foot minimum street width), curb, gutter, sidewalk requirements, landscaping, and circulation improvement requirements and analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

Housing for Persons with Disabilities:

- *Reasonable Accommodation Procedure:* The element briefly mentions the City providing information to all interested parties regarding accommodations for zoning, permit processing and building codes (p. 48). However, the element must clarify if it has a reasonable accommodation procedure and also describe and evaluate the procedure, including identifying and analyzing findings of approval.
- *Definition of Family:* The element should identify and evaluate any definition of family used in zoning and land use for impacts on housing for persons with disabilities and include programs if necessary.
- *Community Care Facilities for Seven or More Persons:* The element should clarify if community care facilities for seven or more persons are permitted in the City. Specifically, the element must clarify which zones and analyze permit procedures as constraints on housing supply and choices, approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.

Zoning, Development Standards and Fees: The element must clarify whether the City complies with new transparency requirements for posting all zoning, development standards and fees or include programs as appropriate.

5. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Government Code section 65584... (Gov. Code, § 65583, subd. (a)(6).)*

Land Costs: The element must analyze land costs for typical single-family and multifamily development.

Availability of Financing: The element must consider whether housing financing, including private financing and government assistance programs, is generally available in the community. This analysis could indicate whether mortgage deficient areas or underserved groups exist in the community. The financing analysis may also identify the availability of financing from private foundations (including bank foundations) corporate sponsors, community foundations, community banks, insurance companies, pension funds, and/or local housing trust funds.

Requests for Lower Density, Permit Times, and Efforts to Address Nongovernmental Constraints: The element must analyze (1) requests to develop housing at densities below those identified in the inventory, (2) the length of time between receiving approval for a housing development and submittal of an application for building permits, and (3) any local efforts to address or mitigate nongovernmental constraints such as reduced fees, financing for affordable housing or expedited processes. The analysis should address any hinderances on the construction of a locality's share of the regional housing need.

6. *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).)*

While the element includes some quantification of special housing needs, it must still analyze those needs. The analysis should include, but is not limited to, factors such as trends, household income, tenure, housing types, zoning, and available resources. Local officials, special needs service providers, or City/County social and health service providers may be able to assist with information to complete the analysis. In addition, the element should quantify analyze persons with developmental disabilities, permanent and seasonal farmworkers (e.g., county-wide agricultural census) and poverty levels for female headed households. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/large-families-female-head-household.shtml>.

C. Housing Programs

1. *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:

- *Lot Consolidation:* While the element commits to provide technical assistance to facilitate land assemblage (Program 4.3-5), given the reliance on assembly, it should include additional actions including when and what incentives will be established, proactive and regular (e.g., annual) marketing component with the development community and property owners and monitoring of effectiveness and, if necessary, revising strategies by a date certain.
 - *Replacement Housing Requirements:* The housing element must include a program to provide replacement housing. (Gov. Code, § 65583.2, subd. (g)(3).) The replacement housing program must adhere to the same requirements as set forth in Government Code section 65915, subdivision (c), paragraph (3).
 - *Sites Identified in Prior Planning Periods:* If necessary, the element must include a program for vacant sites identified in two of more consecutive planning periods' housing elements or nonvacant sites identified in a prior housing element, that are currently identified to accommodate housing for lower-income households. The program must be implemented within the first year or three years, whichever is appropriate, of the planning period and commit to zoning that will meet the density requirements for housing for lower-income households and allow by-right approval for housing developments that include 20 percent or more of its units affordable to lower-income households.
2. *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).)*

The element generally does not address this requirement. The element must include a program(s) with specific actions and timelines to assist in the development of housing for lower-income, including extremely low-income and special needs households. Programs

could commit the City to adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to lower-income, including extremely low-income and special needs households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers.

For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/program-requirements/assist-in-development-housing.shtml>.

3. *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 Findings B4 and B5, the element requires a complete analysis of potential governmental and nongovernmental 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.

4. *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... (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding B1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs.

5. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units 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).)*

Program 4.3.12 (Affordable Accessory Dwelling Unit Program): The element includes a program to incentivizes ADU development by rebating all Planning and Building Fees to the applicant upon execution of a restrictive covenant. However, the program should clarify how this program will be promoted to the community. Additionally, the element should consider other ways of incentivizing ADUs such as exploring and pursuing funding, modifying development standards, and reducing fees beyond state law, pre-approved plans, and homeowner/applicant assistance tools. Finally, the program should commit to monitor the production and affordability of ADUs (e.g., every other year) and make adjustments, if necessary, by a date certain (e.g., within six months).

D. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)

While the element includes quantified objectives for new construction, rehabilitation and conservation, it should separate objectives for extremely low-income households from very low-income households. In addition, the element should consider increasing objectives for rehabilitation and objectives. For example, the element could reflect the numeric objectives of the many rehabilitation and conservation programs in the element (e.g., Programs 4.3-1, 4.3-2, 4.3-3, 4.3-4, 4.3-8, 4.3-9, 4.3-10 and 4.3-11).

E. 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)(9).)

While the City made effort to include the public through workshops, moving forward, the City should employ additional methods for public outreach efforts, particularly including lower-income and special needs households and neighborhoods with higher concentrations of lower-income and special needs households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income and special needs households in future public outreach efforts.

In addition, the element was revised to indicate that public comments were largely concerned about RHNA accommodation and affordability being a local and regional problem. In addition, the element indicates that community members expressed interest in ADUs (p. 20). However, the element should not only summarize public comments received, but it must also describe how they were considered and incorporated into the element. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

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. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

F. 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).)

While the element describes some recent land use initiatives, it should also demonstrate how internal consistency was achieved as part of this housing element update. In addition, the element states the City will undertake a review of the general plan annually as required by state law but should also discuss how internal consistency will be maintained throughout the planning period. For additional information and a sample program, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/analysis-consistency-general-plan.shtml>.

G. Water and Sewer Priority

The housing element adopted by the legislative body and any amendments made to that element shall be immediately delivered to all public agencies or private entities that provide water or sewer services for municipal and industrial uses, including residential, within the territory of the legislative body. Each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households. (Gov. Code, § 65589.7, subd. (a).)

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. 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 <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml>.