## 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



April 16, 2021

Kerry Kusiak, Director Community Development Department City of La Mesa 8130 Allison Avenue La Mesa, CA 91942

Dear Kerry Kusiak:

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

Thank you for submitting the City of La Mesa's (City) draft housing element received for review on February 17, 2021, along with revisions received on April 9 and 13, 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 multiple telephone conversations with the City's housing element team.

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).

## 1. Affirmatively Furthering Fair Housing

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)).

Additional analysis is needed to comply with State Housing Element Law regarding affirmatively furthering fair housing. The housing element must include an identification and analysis of integration and segregation at the local level describing trends and patterns for familial status, persons with disabilities, and households by income. At the regional level, the element must include analysis for persons with disabilities. The element must also include analysis around disproportionate housing needs, specifically addressing overpayment, overcrowding, and displacement risks. The element must also describe access to opportunity by providing maps at the local level and adding a regional analysis. The element must identify and prioritize jurisdiction-specific contributing factors to fair housing issues within the City. Currently, the element uses the regional analysis of impediments to fair housing choice findings. Lastly, the element must

include analysis and/or narrative around local knowledge and other relevant factors, how the sites inventory Affirmatively Furthers Fair Housing and programs that (1) enhance housing mobility strategies, (2) encourage development of new affordable housing in areas of opportunity, (3) improve place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and (4) protect existing residents from displacement. HCD will send data and examples under separate cover.

## 2. Housing Programs

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).)

Programs must be added or modified to achieve the goals and objectives of the housing element, including but not limited to:

Accessory Dwelling Units (ADUs): The revised element projects 80 ADUs per year over the 8-year planning period for a total of 640 ADUs. While this rate is consistent with trends in the most recent year, prior years since 2018 are significantly less. As a result, the ADU program must include more frequent monitoring (every 2 years) and specific commitment to adopt alternative measures such as rezoning or amending the element within a specific time (e.g., 6 months) if ADU assumptions for the number of units and affordability are not met. For your information, only permitted ADUs should be used for calculation related to maintaining adequate sites pursuant to Government Code section 65863.

<u>Coordination with Housing Developers:</u> The element provides a program to assist and support developers of housing for special needs households, including site identification, supporting applications, and assisting with design and site requirements for special needs groups such as single-parent households, large households, and households with persons with disabilities. However, this program must also include persons with developmental disabilities.

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

For your information, the City is relying on non-vacant sites to accommodate more than 50 percent of its housing needs for lower-income households. As a result, as part of the resolution to adopt the housing element, the City must make findings based on substantial evidence pursuant to Government Code section 65583.2, subdivision (g)(2).

As a reminder, the City's 6<sup>th</sup> cycle housing element was due April 15, 2021. As of today, the City has not completed the housing element process for the 6<sup>th</sup> cycle. The City's 5<sup>th</sup> cycle housing element no longer satisfies statutory requirements. HCD encourages the City to make revisions to the element as described above, 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 April 15, 2021 for SANDAG 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.

For your information, some General Plan element updates are triggered by housing element adoption. 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.

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 the dedication, thoroughness, and responsiveness the City's housing element team 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 Jose Ayala, of our staff, at <a href="mailto:Jose.Ayala@hcd.ca.gov">Jose.Ayala@hcd.ca.gov</a>.

Sincerely,

Shannan West

Land Use & Planning Unit Chief