

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

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November 16, 2022

Elias Isaacson, Director
Community Development Department
City of Santa Barbara
PO Box 1990
Santa Barbara, CA 93102-1990

Dear Elias Isaacson:

RE: City of Santa Barbara's 6th Cycle (2023-2031) Draft Housing Element

Thank you for submitting the City of Santa Barbara's (City) draft housing element received for review on August 19, 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 October 31, 2022 with Daniel Gullett, Jillian Ferguson, Adam Nares, and Rosie Dyste. In addition, HCD considered comments from Campaign for Fair Housing Elements and YIMBY Law, Tieira Ryder, Natalie Uruk, Kelly Bret Almeroth, Keith DeMartini, Donald Vogt, and Granite Peak Integral DLV pursuant to Government Code section 65585, subdivision (c).

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). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

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 (February 15, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). 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). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until these rezones are completed.

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.

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 dedication 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 Hillary Prasad, of our staff, at Hillary.Prasad@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF SANTA BARBARA

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 <https://www.hcd.ca.gov/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

A. 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).)*

Enforcement and Outreach: While the element includes some information on outreach and enforcement, the analysis must address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints.

Assessment of Fair Housing: The element reports and maps data on components of the assessment of fair housing (e.g., segregation and integration, disparities in access to opportunity) but it must also analyze the information such as evaluating patterns, trends, conditions and circumstances, coincidence with other components of the assessment of fair housing and the effectiveness of past and current strategies to promote inclusive communities and equitable. This analysis should be complemented by local data and knowledge, including input from comments, and other relevant factors. For example, the element should specifically analyze patterns and disparities within the City for income, beyond low and moderate income categories (e.g., median income) and racially concentrated areas of affluence, and incorporate other relevant factors such as the Project Study Areas (p. B-8).

Disproportionate Housing Needs including Displacement: While the element includes some data on disproportionate needs, including overpayment and overcrowding it should describe patterns and characteristics of substandard housing conditions, persons experiencing homelessness and displacement. For substandard housing conditions, the element should evaluate patterns of higher need and may utilize local data and knowledge such as the recent housing conditions survey. For persons experiencing homelessness, the element should analyze disproportionate impacts on protected characteristics (e.g., race, disability, familial status) and patterns or areas of higher need relative to access to transportation and services. Lastly, the element must also describe and analyze areas sensitive to displacement, including displacement risk due to disaster (e.g., earthquake, fire, and flood).

Sites Inventory: While the element includes a summary of some factors, the analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). If sites exacerbate conditions or isolate sites by income category, the element should include further program actions that will be taken to promote inclusive communities and equitable quality of life throughout the City (e.g., housing mobility, place-based community revitalization strategies). In addition, while the element includes a local analysis of concentrated areas of affluence, the element does not include many sites in those identified areas. The element should describe and analyze whether the concentration of sites outside of areas of affluence mitigate or exacerbate fair housing conditions and add or modify programs as appropriate.

Contributing Factors to Fair Housing Issues: The element identifies many contributing factors to fair housing issues but must prioritize these factors to better formulate policies and programs and carry out meaningful actions to Affirmatively Furthering Fair Housing (AFFH).

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).)*

Extremely Low Income (ELI): While the element includes the total number of ELI households in the City, it must include this data by tenure (i.e., renter and owner) and analyze their housing needs.

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).)*

Progress in Meeting the Regional Housing Need Allocation (RHNA): The City's RHNA may be reduced by the number of new units built since June 30, 2022; however, the element must demonstrate their affordability based on actual sales price, rent level, or other mechanisms ensuring affordability (e.g., deed restrictions). The element should also discuss the status, any barriers to development, and other relevant factors to demonstrate their availability in the planning period. Lastly, the element should ensure the number of units listed as a pending or approved project in the inventory matches the assumed number of units listed in the analysis.

Sites Inventory: While the element incorporates realistic capacity assumptions in the sites inventory, it is unclear how it is applied to some sites which over-estimate the number of units allowed based on these assumptions. The sites inventory should be

revised to incorporate realistic capacity assumptions as needed. In addition, the element must include a sufficient description of existing uses to facilitate analysis of the potential for additional development in the planning period.

Realistic Capacity: While the element provides assumptions for the realistic residential capacity on identified sites in the inventory (p. 76), it must also provide support for these assumptions, as follows:

- The estimate of the number of units for each site 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. For example, the element could list recent and pending developments by zone, allowable densities, number of units and built density.
- The element must account for the likelihood of residential development in zones that allow for 100 percent nonresidential development. For example, the element could discuss which zones allow 100 percent nonresidential development, evaluate all (residential and nonresidential) recent trends in the zones, discuss how often these developments include a residential component and account for that likelihood in the calculation of residential capacity. Alternatively, the element could include a program to establish residential performance standards that ensure a residential component.
- The categories listed for realistic capacity assumptions (p. 76) do not match the zoning designations listed in the element and must be connected to zones that are listed in the inventory.
- The capacity of some sites does not appear to use the assumptions and calculations should be corrected as appropriate.
- The map of sites states that the zones are proposed. The element must clarify whether the assumptions listed in the inventory are for existing zoning designations or whether rezones will be required to meet assumptions in the sites inventory and add or modify programs if necessary.

Small Sites: Sites smaller than a half-acre 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 unless the element describes other evidence to HCD that the site is suitable and appropriate to accommodate housing for lower-income households. (Gov. Code, § 65583.2, subd. (c)(2)(A).) The element lists small sites but must also evaluate whether those sites are suitable to accommodate housing for lower-income households and add or modify programs as appropriate. For example, the element could list past consolidations by the number of parcels, number of owners, zone, number of units, affordability and circumstances leading to consolidation and then relate those trends to the identified sites or could explain the potential for consolidation on a site-by-site basis.

Suitability of Nonvacant Sites: The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites. To address this requirement, as noted above, the element describes in general the existing use of each nonvacant site for example “multifamily” or “shopping center”. This alone is not adequate to demonstrate the potential for redevelopment in the planning period. The description of existing uses

should be sufficiently detailed to facilitate an analysis demonstrating the potential for additional development in the planning period. In addition, the element must analyze the extent that existing uses may impede additional residential development. For example, the element includes sites identified as single-family and multifamily residents, office, carwash, parking lot, gasoline service, but no analysis was provided to demonstrate whether these existing uses would impede additional development of these sites within the planning period. The element can summarize past experiences converting existing uses to higher density residential development, include current market demand for the existing use, provide analysis of existing leases or contracts that would perpetuate the existing use or prevent additional residential development and include current information on development trends and market conditions in the City and relate those trends to the sites identified. The element could also consider indicators such as age and condition of the existing structure, expressed developer or property owner interest, low improvement to land value ratio, existing versus allowable floor area and other factors. For sites with residential uses, the inventory could also describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For nonresidential sites, the inventory could also describe whether the use is operating, marginal, or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment.

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 that the existing use is not an impediment to additional residential development in the planning period. This can be demonstrated by providing substantial evidence that the existing use is likely to be discontinued during 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.

City-Owned Sites: The element must identify and include a discussion on each of the City-Owned sites identified to accommodate the RHNA. Specifically, the analysis should address general plan designations, allowable densities, support for residential capacity assumptions, existing uses and any known conditions that preclude development in the planning period and the potential schedule for development. In addition, the housing element must include a description of whether there are any plans to lease or sell the property during the planning period and how the jurisdiction will comply with the Surplus Land Act Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5. Based on the outcomes of this analysis, the element should include specific commitment with a schedule of actions with discrete timing to facilitate development in the planning period, including, if necessary, rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i), issuing requests for proposals or surplus land, facilitating entitlements, issuing permits, numeric objectives consistent with assumptions in the inventory and if necessary, alternative actions if development does not occur as anticipated.

Availability of Infrastructure: While the element notes infrastructure capacity will be evaluated as part of the Program Environmental Impact Report (p. 77), it should

incorporate this evaluation demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities, to accommodate the RHNA for the planning period and add or modify programs if necessary.

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. The element should demonstrate compliance with these requirements and add or modify programs, if necessary. For additional information and sample cover memo, see the Building Blocks at <https://www.hcd.ca.gov/priority-for-water-and-sewer>.

Environmental Constraints: While the element generally describes a few environmental conditions within the City, it must describe any other known environmental constraints or conditions (e.g., shape, accessibility, easements, contamination) within the City that could impact housing 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. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element should describe the development standards of the M-C zone that allows emergency shelters by-right and should provide an analysis of proximity to transportation and services for these sites, hazardous conditions, and any conditions in appropriate for human habitability. The analysis should also include size of available parcels as well as reuse and redevelopment opportunities. The element must demonstrate compliance with these requirements and include a program as appropriate.
- *Transitional and Supportive Housing:* Transitional housing and supportive housing must be permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. The element must demonstrate compliance with these requirements, including within the coastal zone, and include programs as appropriate.
- *By-Right 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 these requirements and include programs as appropriate.

- *Employee Housing:* The Employee Housing Act permits housing under specific provisions. 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. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. This includes zones that allow agricultural uses and is not limited to agricultural zones. The element must demonstrate compliance with these requirements and include 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 in all zones that allow residential uses. The analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address requirements related to parking, heights, lot coverage and limits on allowable densities. The analysis should address any impacts on cost, supply, housing choice, feasibility, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints. In addition, the element must analyze minimum residential size, maximum lot coverage and open space (both common yard and unit) requirements, and height limits of 30 feet in multifamily zones as potential constraints on development and add or modify programs as appropriate. Lastly, the element must clarify where the Upper State Street overlay applies and evaluate any restrictions on residential development.

Parking: The element must analyze the parking requirements of more than one space per studio and one-bedroom unit. In addition, the element must clarify whether guest parking is included in the listed parking requirements and analyze potential constraints. Should the analysis determine the parking standards or permit procedures are a constraint on residential development, it must include a program to address or remove any identified constraints.

Fees and Exaction: While the element evaluates fees for typical developments, it should also list and analyze planning fees (e.g., general plan amendment, rezones, conditional use permit, variances).

Local Processing and Permit Procedures: While the element describes the use permit procedure for single family housing, it must describe and analyze the City's permit processing and approval procedures by zone and housing type (e.g., multifamily rental housing, mobilehomes, housing for agricultural employees, supportive housing). The analysis must evaluate the processing and permit procedures' impacts as potential

constraints on housing supply and affordability. The element should clarify whether the listed typical approval times are for both single family and multifamily developments. In addition, the element should list the approval time for each approval process.

Design Review: The element must describe and analyze the design review guidelines and process, including approval procedures and decision-making criteria, for their impact as potential constraints on housing supply and affordability. For example, the analysis could evaluate required findings for impacts on approval certainty and discuss whether objective standards and guidelines improve development certainty and mitigate cost, timing and approval certainty impacts. Based on the outcomes of the analysis, the element should add or modify programs with specific commitment to address identified constraints.

Local Ordinances: The element must specifically analyze locally adopted ordinances including the Nonresidential Growth Management Program and short-term rental ordinance that directly impact the cost and supply of residential development. In addition, the element should analyze the population cap as a constraint. The element should analyze the above listed local ordinances as potential constraints on housing supply and affordability and add programs as appropriate.

On/Off-Site Improvements: The element must identify typical subdivision level improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width), and analyze their impact as potential constraints on housing supply and affordability.

Codes and Enforcement: The element must describe and analyze any local amendments to the building code for impacts on housing supply and costs.

Streamlining Provisions: While the element notes the City adopted objective standards to implement streamlining provisions pursuant to Government Code section 65913.4, it should clarify whether the City has written procedures and add or modify programs, if necessary, to establish a procedure.

Constraints on Housing for Persons with Disabilities: The element must include an analysis of zoning, development standards, building codes, and process and permit procedures as potential constraints on housing for persons with disabilities. For example, the analysis must describe any zoning code definitions of family and any spacing or concentration requirements for housing for persons with disabilities. While the element describes the City's definition of family, it should analyze the requirement of "common access to, and common use of, all living areas and all areas and facilities for the preparation and storage of food and who maintain no more than four separate rental agreements for the single residential unit", whether this is a potential constraint on housing for persons with disabilities and add or modify programs as appropriate. In addition, the element must describe the findings and approval procedure for the City's reasonable accommodation procedure. Lastly, the element must describe and analyze how and what zones group homes for six or fewer and seven or more are allowed within the City and add programs as appropriate. For your information, zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons

with disabilities, to special regulations such as the number of persons, population types and licenses. These housing types should not be excluded from residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Requiring these housing types to obtain a special use or CUP could potentially subject housing for persons with disabilities to higher discretionary exceptions processes and standards where an applicant must, for example, demonstrate compatibility with the neighborhood, unlike other residential uses.

Zoning and Development Standard Transparency: The element must clarify its compliance with new transparency requirements for posting all zoning and development standards, and inclusionary requirements for each parcel on the jurisdiction's website pursuant to Government Code section 65940.1(a)(1).

5. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including... requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2... (Gov. Code, § 65583, subd. (a)(6).)*

Developed Densities: While the element states that the City does not track when a site is developed at densities below what is identified in the inventory, it should generally describe the assumptions in the inventory, discuss whether there were requests to develop densities less than those assumed in the inventory, evaluate hinderances on achieving the RHNA in the prior planning period and add or modify programs as appropriate

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).)*

Persons with Disabilities: While the element includes an analysis of special housing needs for persons with disabilities, it must also include an estimate of the number of persons with disabilities living within the City.

Farmworkers: The element includes some general data on farmworkers and then generally concludes their needs are negligible and can be accommodated through other programs. However, given the housing needs of farmworkers in the broader region, the element should recognize and evaluate their disproportionate housing needs, including household characteristics, income, housing types, affordability gaps or likelihood of disproportionate overpayment, resources and strategies available, effectiveness of past efforts and add or modify programs as appropriate.

7. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)*

While the element includes a list of at-risk properties within the next ten years, HCD data shows an additional seven properties at-risk of expiring during that time period. The element should include an analysis of all at-risk properties within the City. HCD will send a list under separate cover. In addition, the element must include an analysis of preservation versus replacement costs and a list of qualified entities with capacity to preserve at-risk properties.

B. 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... (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and achieve the goals and objectives of the housing element, programs should have specific commitment toward housing outcomes and discrete and early timing (e.g., at least annually or by a specified date). Examples of programs that should be revised include:

- *Program HE-1 (Facilitating Conversion of Nonresidential Buildings to Housing):* The program could include proactive outreach with property owners.
 - *Program HE-4 (Facilitate Production of Accessory Dwelling Units):* The program should include specific timing on how often outreach will occur as well as specific timing for each action. In addition, the program should include specific commitment to implement preapproved plans.
 - *Program HE-11 (Affordable Housing Trust Fund):* The programs should include at least annual proactive outreach to developers.
 - *Program HE-12 (Support Rental Housing Mediation Program):* The program should be revised to clarify where materials will be available and how often.
 - *Program HE-17 (Technical Assistance):* The program should be revised with at least annual proactive outreach throughout the planning period.
 - *Program HE-18 (Funding Home Repairs for Senior and Disabled Homeowners and Renters):* The program should be revised to include at least annual proactive outreach throughout the planning period.
 - *Program HE-19 (Renters Rights Information):* The program should be revised to include at least annual proactive outreach to landlords.
 - *Program HE-20 (Housing Resources for the Public):* The program should commit to how often outreach will occur.
 - *Program HE-21 (Housing Supply and Affordability Education Campaign):* The program should include specific timing of how often education will be conducted.
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 A3, 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:

Shortfall of Adequate Sites: If the element does not identify adequate sites to accommodate the regional housing need for lower-income households, it must include a program(s) to identify sites with appropriate zoning to accommodate the regional housing need within the planning period. The program should identify the shortfall by income group, acreage, allowable densities, appropriate development standards and meet all by right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i), including but not limited to permitting multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households.

Accessory Dwelling Units (ADUs): To support assumptions for ADU affordability in the planning period, programs should commit to additional incentives and strategies, frequent monitoring (every other year) and specific commitment to adopt alternative measures such as rezoning or amending the element within a specific time (e.g., six months) if ADU assumptions are not met.

Program HE-2 (La Cumbre Plaza Planning Area): The program should clarify whether zoning is already in place for the La Cumbre Plaza Planning Area, whether rezoning is needed to accommodate the assumptions in the sites inventory and if necessary, commit to rezoning, including meeting by right requirements as described above.

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).)*

The element must include a program(s) with specific actions and timelines to assist in the development of housing for extremely low-income households. The program(s) could commit the at least annual proactive outreach with affordable developers, priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to extremely low-income households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers.

In addition, the element must also include a program(s) to assist in the development of housing for all special needs households (e.g., homeless, farmworkers, female-headed

households). Program actions could include proactive outreach and assistance to non-profit service providers and developers, prioritizing some funding for housing developments affordable to special needs households and offering financial incentives or regulatory concessions to encourage a variety of housing types.

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 Findings A4 and A5, 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. In addition, the element should be revised as follows:

Program HE-3 (Amend the Zoning Ordinance to Reduce Governmental Constraints and Comply with State Law): The program should include specific timing on implementation as well as clarification of what zones and how residential care facilities will be allowed, and that findings will be objective with approval certainty similar to other residential uses.

Parking: As noted on page 62, covered parking is considered a constraint and the City is proposing removal of the requirements. The element should include a program to address this identified constraint.

State Street Master Plan: As noted on page 62, the City is preparing a master plan to address identified constraints. The element should include a program to implement the Master Plan with specific timing, to address the constraints identified in the Storm Water Management Plan (SWMP).

5. *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 A1, the element must include a complete analysis of AFFH. The element must be revised to add goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the 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 specific commitment, milestones, geographic targeting and metrics or numeric objectives and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

In addition, Program HE-16 (Enhance the Fair Housing Program) should be strengthened to specify timing of audits and evaluations as well as include proactive outreach.

6. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)*

The element must include a program(s) or modify Program HE-13 (Right of First Refusal Purchase Program) with specific and proactive actions to preserve the at-risk units. A program to preserve at-risk properties should commit to meet noticing requirements pursuant to Government Code sections 65863.10, 65863.11, and 65863.13, coordination and first right of refusal with qualified entities, assisting with funding or supporting funding applications and support and education for tenants.

C. 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).)

The element must include quantified objectives to establish an estimate of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes quantified objectives, they should be modified to reflect results of program implementation, specifically conservation which should incorporate units identified as at-risk within the next ten years.

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)(9).)

While the element includes a summary of the public participation process, it should summarize and describe how public comments were considered and incorporated throughout the housing element process.

E. 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 discusses how internal consistency will be achieved with other elements of the general plan as part of the housing element update, it should also discuss how internal consistency will be maintained throughout the planning period.