

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

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November 4, 2021

Norma M. Villacaña, Director
Community Development Department
City of El Centro
1274 W. Main Street
El Centro, CA 92243

Dear Norma M. Villacaña:

RE: City of El Centro's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of El Centro's (City) draft housing element received for review on September 7, 2021, along with revisions received on October 22, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a conversation on October 14, 2021 with the City's housing element team.

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.

The City's statutory deadline to adopt a housing element was October 15, 2021. 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 this statutory deadline, 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).

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

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

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:

http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and
http://opr.ca.gov/docs/Final_6.26.15.pdf.

HCD appreciates the hard work and dedication of the City's housing element team during the review. We are committed to assist 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 Jose.Ayala@hcd.ca.gov.

Sincerely,

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

Paul McDougall

Enclosure

APPENDIX CITY OF EL CENTRO

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. 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).)*

Racial/Ethnic Areas of Concentration of Poverty (R/ECAP): The element identified an area considered a R/ECAP and should include specific analysis such as trends, past and current efforts, including investment and their effectiveness, local data and knowledge, other relevant factors (as noted below), particularly relative to equitable quality of life, resources, and strategies to address any inequities in quality of life. The analysis should also consider any overlapping fair housing issues with other components of the assessment of fair housing (e.g., access to opportunity and disproportionate housing needs, including displacement).

Local Data and Knowledge: The element describes a variety of outreach efforts such as from the County and Inland Fair Housing and Mediation Board. However, the element should relate that input to the affirmatively furthering fair housing (AFFH) analysis to better inform the contributing factors to fair housing issues and goals and actions. The element should also consider other local data and knowledge to complete the AFFH analysis. Examples include input from neighborhoods such as the identified R/E CAP, knowledge from local planners and city administrators and city records and reports.

Other Relevant Factors: The element includes some information on lending practices and housing choice vouchers, but it must still include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element can analyze historical land use, zoning and investment practices, presence of redlining, restrictive covenants, neighborhood investment or disinvestment, federal investment such as transportation infrastructure, demographic trends or any other information that supplements the reported data and assists in a complete analysis.

Contributing Factors: 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.

Goals, Actions, Metrics, and Milestones: The element must be revised to add or modify 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, metrics, and milestones as appropriate and 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. Additionally, the element should provide more specific commitment and concrete actions in existing programs. For instance, for housing mobility and new housing opportunities in high resource areas, the element should clarify what type of incentives will be provided, what collaboration will look like, and timing for these incentives and concessions. Additionally, for place-based strategies, the element should be more specific regarding City actions to support investments. Lastly, the element should look to add actions with respect to displacement risk.

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).)*

While the element provides information regarding extremely low-income (ELI) households, it must still analyze their existing housing needs. This is particularly important given the unique and disproportionate needs of ELI households. For example, the element should analyze tenure, cost burden, overcrowding and other household characteristics then examine trends and the availability of resources to determine the magnitude of gaps in 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).)*

Suitability of Sites: The element should include additional information to demonstrate the suitability of sites. For example, Site 6 does not appear to have road access, and absent additional information, the feasibility of development is unclear. Also, Site 15 should be evaluated for consistency with the City's development standards.

Realistic Capacity: The element explains trends related to residential development in commercial areas. However, the element should also address the likelihood or 100 percent nonresidential uses occurring and account for that likelihood in residential capacity calculations. This analysis could explain anticipated residential performance standards for residential development as part of rezoning or could analyze all development activity in

these nonresidential zones, how often residential development occurs and adjust residential capacity calculations, policies, and programs accordingly

Small Sites: For your information, sites below 0.5 acres are not deemed adequate to meet the lower-income RHNA absent analysis that development below 0.5 acres is appropriate to accommodate the lower-income housing need. These sites were not utilized toward demonstrating adequate sites to accommodate the lower-income RHNA and should not be utilized for the purposes of meeting no net loss law pursuant to Government Code section 65863.

Zoning for a Variety of Housing Types (Employee Housing): Zoning must be consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.) or add or modify programs. Specifically, 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 notes farm employee housing is allowed as accessory to a permitted use, but this housing is excluded from most residential zones and does not appear to be permitted similar to single family uses. Further, the element states that employee housing for six or fewer people is not referenced in zoning. As a result, the element should add or modify programs to amend zoning and explicitly permit employee housing for six or fewer persons in compliance with the Employee Housing Act.

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).)*

Processing and Permit Procedures: The element describes that most residential development is subject to a Site Plan Review which is completed by the Community Development Director, Planning Commission or City Council. While the element describes the purpose of the Site Plan Review, it must also analyze the procedure for impacts on housing cost, supply, timing, and approval certainty. For example, the analysis should analyze what parameters determine the level of review (Director, Commission or Council), number of public hearings, approval findings and discuss whether objective standards, guidelines or other processes improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint or include a program to address the constraint as appropriate.

In addition, the element mentions processing timeframes for ministerial review and reviews with streamlined CEQA review, but it should also list and analyze typical timeframes for other entitlements, particularly including Site Plan Review subject to Planning Commission or City Council and other relevant entitlements (e.g., conditional use permits, variances, rezones, general plan amendments).

Housing for Persons with Disabilities: The element shows (Table 39) residential care facilities for seven or more persons are excluded in some zones allowing residential uses (e.g., RAP zone) and subject to a conditional use permit. The element should analyze these requirements as potential constraints on housing for persons with disabilities and include programs as appropriate to address identified constraints.

On/Off-Site Improvements: While the element provides information regarding required on and off-site improvements for typical developments, the element should identify and analyze the actual standards. For example, the element mentions required streets, but it should also explain and analyze street widths that could impact the supply and cost of housing.

Codes and Their Enforcement: The element explains the City adopted the 2016 edition of the building codes; however, the City should be using the 2019 edition. The element should either clarify which version is used or include a program to adopt the most recent version of the building code.

B. 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 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, Program 1 (Adequate Sites for RHNA) is intended to make zoning available to accommodate the RHNA for lower- and moderate-income households. With respect to lower-income households, the Program must address all by right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). For example, the Program should clarify permitting multifamily development without discretionary review, minimum densities, permitting at least 16 units per site and performance standards to ensure residential development. In addition, the element should commit to rezone a minimum amount of acreage and ensure development standards will facilitate achieving maximum densities and will not constrain development.

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).)

Farmworkers: The element states farmworker populations are significantly underestimated, including the Census and highlights the unique needs of farmworkers. Then, the element concludes El Centro does not have a large farmworker population, seemingly based on Census data that underestimates need, and therefore, the housing needs can be addressed with other affordable housing programs. However, the element should address the significant housing needs of the broader region, including unique and disproportionate housing needs and include specific actions to assist in the development of housing for farmworkers. Actions could commit to be proactive and coordinate with nonprofit developers, employers, and other related organizations, to explore funding and incentives and to identify specific development opportunities.

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 Finding A4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

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 protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element does not include a complete assessment of fair housing. Depending on a complete analysis, the element must add or revise programs as appropriate.

5. *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).)*

Program Action 11 (Conservation of Existing and Future Affordable Units): In addition to providing technical assistance to qualified entities that can purchase development with units at-risk of conversion to market rate uses, the Program should commit to assist with funding or support applications for funding.

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).)

While the element includes quantified objectives for developments at-risk of conversion to market rate uses, the City is encouraged to consider, in its quantified objectives, the importance of conserving other existing affordable housing stock, such as housing choice vouchers (Program 10), efforts through code enforcement (Program 13) or place-based strategies toward community revitalization (Program 14).

D. Consistency with General Plan

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

While the element discusses how internal consistency within the general plan was achieved as part of the update of the housing element, it must also describe how consistency with the general plan is maintained. To meet this requirement, the City could consider an internal consistency review as part of its annual general plan implementation report required under Government Code section 65400.