

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

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March 7, 2024

Megan Hunter, City Manager
City of Soledad
248 Main Street
Soledad, CA 93960

Dear Megan Hunter:

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

Thank you for submitting the City of Soledad's (City) draft housing element received for review on December 8, 2023, along with revisions received on March 4, 2024. The revisions were posted and made available to the public for seven days prior to review by the California Department of Housing and Community Development (HCD). In addition, HCD considered comments from LandWatch and David Kellogg pursuant to Government Code section 65585, subdivision (c). Pursuant to Government Code section 65585, HCD is reporting the results of its review.

The draft element, including revisions, addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:

1. *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).)*

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... (Gov. Code, § 65583, subd. (c)(1).)

Accessory Dwelling Units (ADU): The element notes 50 ADUs were permitted between 2019 and 2022 and assumes 85 ADUs over the planning period. However, the City has not reported ADUs as part of its Annual Progress Report (APR) in most years and most recently only reported permitting 2 ADUs in 2022; a figure far different than the 18 ADUs identified in the element. Given this discrepancy and lack of reported data, the City should either submit APRs with consistent figures or reconcile assumptions with reported ADUs. Based on the

outcomes of this analysis, the element should add or modify programs to monitor ADUs and take alternative actions if necessary to maintain adequate sites in the planning period.

Electronic Sites Inventory: Electronic copy of inventory must be submitted in required format. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Program 1.2.6 (Miramonte Specific Plan): The element commits to monitor progress toward annexation but should also monitor anticipated affordability and take alternative measures if necessary. In addition, while the Program commits to "work" with the developer to identify constraints and "work to identify" additional sites if needed, the Program should specifically commit to actions that result in outcomes that benefit people and households. For example, the Program could specifically commit to remove constraints and identify additional sites. Further, alternative strategies should be completed by a date earlier in the planning period (e.g., by 2028).

Program 1.2.7 (Large Sites): The Program should commit to incentives beyond priority processing and deferral of impact fees to encourage appropriately sized parcels (e.g., 1-10 acres) and affordability. For example, the Program could also commit to increased density, assisting with funding or flexibility to development standards.

2. *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... ..and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)*

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... (Gov. Code, § 65583, subd. (c)(3).)

Land Use Controls: The element must identify and analyze all relevant land use controls as potential constraints on housing cost, supply (number of units) and ability to achieve maximum densities. The element lists development standards but should also analyze those development standards. For example, the element could seek input from the development community or utilize a hypothetical project to demonstrate the appropriateness of land use controls. The analysis should specifically address heights for multifamily uses. Based on the outcomes

of a complete analysis, the element should add or modify programs to mitigate or remove any identified constraints.

In addition, the element includes Program 5.1.4 (Modernizes Parking Standards) to monitor parking requirements and evaluate strategies to determine the feasibility of revising parking standards. This Program essentially does not commit to any beneficial impact in the planning period. Parking requirements over 2 to 3 spaces per unit plus guest parking are a constraint on multifamily development. The Program should specifically commit to reduce parking requirements in the planning period.

Local Processing and Permit Procedures: While the element includes information about processing times, it should also describe and analyze the procedures for a typical single family and multifamily development that complies with zoning and the general plan. The analysis should address the approval body, design review requirements, the number of public hearing if any, approval findings and any other relevant information. The analysis should address impacts on housing cost, supply, timing and approval certainty. For example, the element should identify and analyze approval findings for impacts on approval certainty, the presence of processes or guidelines to promote certainty and add or modify programs as appropriate.

Constraints on Housing for Persons with Disabilities: The element generally describes the procedures for reasonable accommodation in zoning and land use, including listing approval findings. However, the element should also analyze the approval findings and particularly constraining findings such as “potential impact on surrounding uses” and “alternative reasonable accommodation that may provide an equivalent level of benefit”. Based on the outcomes of this analysis, the element should add or modify programs to address the constraints on housing for persons with disabilities.

3. *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).)*

Program 4.2.1 (Place-Based Revitalization): The Program should consider applying for funding (e.g., every other year) to assist with place-based revitalization and could consider additional actions toward community revitalization.

The element will meet the statutory requirements of State Housing Element Law once it has been revised, adopted, submitted, and reviewed by HCD to comply with the above requirements pursuant to Government Code section 65585.

As a reminder, the City's 6th cycle housing element was due December 15, 2023. 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 (December 15, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation 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 Affordable Housing and Sustainable Communities program, 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>.

Megan Hunter, City Manager
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HCD appreciates the dedication of the housing element team during the housing element update and 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 Anthony Errichetto, of our staff, at Anthony.Errichetto@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