

**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



May 7, 2024

Cecil Flournoy, Director
Community Development Department
City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

Dear Cecil Flournoy:

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

Thank you for submitting the City of Compton's (City) draft housing element received for review on February 7, 2024 along with revisions received April 15, 2024. These revisions were made available to the public for at least seven days prior to submitting to HCD for review. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a conversation on March 18, 2024 with you, and the City's consultants. In addition, HCD considered comments from David Kellogg pursuant to Government Code section 65585, subdivision (c).

The draft element, including revisions, addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Gov. Code, § 65580 et seq). The enclosed Appendix describes the 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 below, adopt, and submit to HCD to regain housing element compliance.

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that did not adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones to make prior identified sites available or accommodate a shortfall of sites are completed pursuant to Government Code sections 65583, subdivision (c) (1)(A) and 65583.2, subdivision (c). As this year has passed and Program 1 (Adequate Sites for Regional Housing Need Allocation (RHNA) and Monitoring of No Net Loss) has not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning has been 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 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>.

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 Armando Jauregui, of our staff, at
jose.jauregui@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF COMPTON

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/planning-and-community-development/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/planning-and-community-development/housing-elements/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).)*

Racial/Ethnic Areas of Concentration of Poverty (R/ECAP): While the element states where R/ECAPs are located within the City, it must provide a specific analysis of conditions and circumstances. The analysis should address protected characteristics (e.g., race), trends, coincidence with other fair housing issues (segregation and integration, access to opportunities, disproportionate impacts), neighborhood conditions (e.g., housing, infrastructure, circulation, parks, community facilities and amenities), and compare overall quality of life to other areas of the City. Then, the element should formulate significant and meaningful policies and programs, including but not limited to place-based strategies toward community revitalization and mitigation of displacement risk.

Local Data and Knowledge and Other Relevant Factors: The element includes some discussion of local data and knowledge, but additional information is required to address this finding. Specifically, the element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Also, 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 and investment practices or other information and demographic trends.

2. *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).)*

Housing Conditions: While the element identifies the age of the housing stock and includes some information on housing stock conditions from American Community

Survey (ACS) data (p. 2-12), it must also estimate the number of units in need of replacement and rehabilitation. For example, the analysis could include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including nonprofit housing developers or organizations.

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 toward the Regional Housing Need Allocation (RHNA): While the element may utilize pipeline and potential development projects toward the RHNA, it must also demonstrate their affordability and availability in the planning period. Affordability must be demonstrated based on actual sales price, rent level or other mechanisms ensuring affordability (e.g., deed restrictions). Availability should account for the likelihood of project completion in the planning period and should address the status, necessary steps to issue permits, any barriers to development and other relevant factors. The element should include a program that commits to facilitating development and monitoring approvals of the projects (e.g., coordination with applicants to approve remaining entitlements, supporting funding applications, expediting approvals, and monitoring of project progress toward completion in the planning period, including rezoning or identification of additional sites, if necessary).

Realistic Capacity: For sites zoned for nonresidential uses (e.g., commercial, and mixed-use zones), the element must account for the likelihood of 100 percent nonresidential development in any pertinent zones. For example, the element could describe the underlying zoning for sites, discuss whether 100 percent nonresidential development is allowed in these zones, past trends of all developments in the pertinent zones, including how often 100 percent nonresidential development occurs and any other relevant factors such as programs or policies the City is undertaking to encourage residential development in nonresidential zones.

Accessory Dwelling Units (ADU): ADUs may be counted toward the RHNA based on past permitted units and other factors. The element projects 90 ADUs to be constructed over the planning period, averaging 15 ADUs per year (p. 4-2). However, Table 4-2 indicates 130 ADUs will be constructed. Firstly, the element should be revised for internal consistency regarding ADU assumptions. Secondly, after a cursory review of the City's ADU ordinance, HCD discovered several areas that are not consistent with State ADU Law. As a result, the element should add a program to update the City's ADU ordinance to comply with state law. Lastly, HCD records indicate permitted ADUs of 23 in 2019, 2 in 2020, and 0 in 2021. The element should reconcile these numbers with HCD records and may supplement the data with additional trends to support its ADU assumptions.

Suitability of Nonvacant Sites: The element must include an analysis demonstrating the potential for additional development on 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 (e.g., parking lots) 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.

AB 725: For jurisdictions that are considered Metropolitan, the element must identify at least 25 percent of the remaining moderate and above moderate RHNA on sites that allow at least four units of housing (e.g., four-plex or greater). (Gov. Code, § 65583.2, subd. (c)(4).)

Availability of Infrastructure: The element describes the availability of water and sewer capacity to accommodate the City's regional housing need. However, the element must also demonstrate there is sufficient dry utilities capacity (existing and planned) to accommodate the RHNA.

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/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.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element includes discussion of zoning and capacity for emergency shelters but should also clarify whether areas within the zone may be unfit for human habitation and whether spacing requirements are imposed on emergency shelters.
- *Supportive Housing:* The element must demonstrate consistency with Section 65583 (a)(5) or add or revise programs as necessary.
- *Single-Room Occupancy (SRO) Units:* SROs at minimum must be conditionally permitted in one zone and must also include analysis of how the City's development standards and permitting procedures facilitate and encourage the development of SROs.
- *Mobilehomes and Manufactured Housing:* Manufactured homes that are built on a permanent foundation must be allowed in the same manner and in the same zones as conventional or stick-built structures. Specifically, manufactured homes on a permanent structure should only be subject to the same development standards that a conventional single-family residential dwelling would be subject to. The element must demonstrate consistency 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).)*

Fees and Exactions: While the element lists the total fees per unit for single-family and multifamily developments in Table 3-1, it appears that both single-family and multifamily fees are generally the same for several fee categories, an uncommon observation not found in other comparable jurisdictions. Excessive fees for multifamily projects have significant impacts on housing affordability and production. The element should include an evaluation of these fees and add programs to address the constraint as appropriate.

Local Processing and Permit Procedures: While the element includes information about processing times (p. 3-11) and actions in Program 11 (Expedited Permit Procedures), it must still describe the procedures for a typical single-family and multifamily development. The analysis should address the approval body, the number of public hearings if any, approval findings, and any other relevant information. The analysis should address impacts on housing cost, supply, timing, and approval certainty. The element should add or modify programs based on a complete analysis.

In addition, the element should address public comments on this draft submittal and discuss compliance with the Permit Streamlining Act and intersections with CEQA and timing requirements, including streamlining determinations and add or modify programs as appropriate.

SB 35 Streamlined Ministerial Approval Process: The element must clarify whether there are written procedures for the SB 35 (Chapter 366, Statutes of 2017) Streamlined Ministerial Approval Process and add a program to address these requirements.

The Compton Station Specific Plan: The element relies upon the Compton Station Specific Plan. area to accommodate the City's regional housing need for all income groups. While the housing element indicates the Specific Plans' residential capacity and estimates the number of units by income group, it should demonstrate the suitability for development in the planning period. To utilize residential capacity in the specific plan, the element must:

- Describe necessary approvals or steps for entitlements for new development (e.g., design review, site plan review, etc.), including any known barriers to development in the planning period; and
- Analyze any requirements such as phasing or timing requirements that impact development in the planning period and large sites, if applicable, with policies and programs.

Constraints on Housing for Persons with Disabilities: The element mentions residential care facilities serving six or fewer are permitted by-right in all residential districts; however, residential care facilities for seven or more persons are subject to a conditional use permit (CUP). The element should specifically analyze this constraint for impacts on housing supply and choices and approval certainty and objectivity for housing for residential care facilities for seven or more and include programs as appropriate. For more information on group homes, please see HCD's Group Home Technical Advisory at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>.

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, 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).)*

The element must include analysis of requests to develop housing at densities below those identified and the length of time between receiving approval for a housing development and submittal of an application for building permits. The element must address any hinderances on the development of housing and include programs as appropriate.

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 address the goals of the housing element, programs must be revised with discrete timelines and programs should be evaluated to ensure meaningful and specific actions and objectives. More specifically, several programs contain timelines for implementation that are underway and should be updated to reflect current status. These programs include but are not limited to Programs 5 (First-Time Homebuyers Program), 10 (Expedited Permit Procedures, and 11 (Reasonable Accommodation Program).

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, Program 1 (Adequate Sites for RHNA and Monitoring of No Net Loss) commits to address the identified shortfall of sites, particularly for lower-income households. The Program commits to amend zoning by the end of 2024. For your information, if any zoning amendment or rezoning is necessary in the planning period to accommodate a shortfall of adequate sites or unaccommodated need for lower-income households, the zoning must permit multifamily uses without discretionary action and address several other requirements pursuant to Government Code section 65583, subdivision (c)(1) and section 65583.2, subdivisions (h) and (i). Given that adoption has not occurred by October 15, 2021, and zoning is necessary, sites must address the requirements 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 includes Program 7 (Extremely Low-Income (ELI) Households and Special Needs Households) to develop incentives to encourage the development of housing for ELI households and special needs households. However, the Program should be revised to provide an update on the progress and status of implementation, given that the element identifies such actions to be completed by the end of 2024 (p. 5-7).

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 11 (Zoning Code Amendments): While the element includes several revisions to Program 11 to address constraints, it acknowledges that requiring smaller bedroom types (e.g., studio or one-bedroom) to have 1.5 enclosed garage parking spaces may pose as a constraint. Therefore, the element must also analyze guest parking and enclosed parking requirements for its impacts on the cost, supply, housing choices, and the ability to achieve maximum densities on multifamily housing. The element must modify Program 11 to include commitments to provide flexible (e.g., enclosed, or open) parking requirements for smaller bedroom types and reduce guest parking requirements.
- Program 12 (Expedited Permit Process): The Program commits to revising the Architectural Review Board process for 12 or more units. However, the element should include actions to develop objective design standards for multifamily projects, irrespective of the number of units and the Program should be revised accordingly.

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 requires a complete fair housing analysis. Based on 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 commitments, milestones, geographic targeting and metrics or numerical targets and, as appropriate, address housing mobility enhancement, new housing choices and affordability, place-based strategies for community revitalization, and displacement protections. Given that most of the City is considered a low-resource community, with high CalEnviroScreen and potential for significant displacement risk; the element should focus on place-based strategies for economic and community revitalization protecting residents from disaster-driven and investment-driven displacement and enhancing housing mobility to encourage the development of more housing choices and affordability.

6. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).)*

While the element commits to complying with State ADU law, the element should modify Program 4 (Accessory Dwelling Units) to provide additional incentives and strategies, including modification of development standards, waiving fees beyond State ADU law, and proactive marketing.