

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

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January 5, 2023

Erin Morris, Planning Director
Department of Community Development
City of Vacaville
650 Merchant Street
City of Vacaville, CA 95688

Dear Erin Morris:

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

Thank you for submitting the City of Vacaville's (City) draft housing element received for review on October 17, 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. HCD considered comments from YIMBY Law and Campaign for Fair Housing Elements, David Kellogg, Greenbelt Alliance and TransForm, 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 (January 31, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation (RHNA) shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) (1) 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 commitment and cooperation of the housing element update team during the update and our 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 Irvin Saldana, of our staff, at Irvin.Saldana@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

Enclosure

APPENDIX CITY OF VACAVILLE

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/housing-elements>. 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).)*

Integration and Segregation: The element reports some data regarding segregation and integration of race, disability, familial status, and income but should specifically evaluate patterns of households by income, including comparing areas geographically throughout the City, coincidences with other components of the assessment of fair housing (e.g., disparities in access to opportunity and disproportionate housing need) and incorporating local data and knowledge and other relevant factors. In addition, and among Solano County jurisdictions, Vacaville, has the fourth-highest rate and third-highest number of female-headed households. The element should identify any gaps in resources to meet the need and formulate meaning policies and programs that specifically address the needs of female headed households throughout the City.

Racially Concentrated Areas of Poverty (R/ECAPs): The element states that there are no racially concentrated areas of poverty within Vacaville. However, the element should provide analysis on distinct areas of poverty/lower-income; specifically, analyzing tracts south of I-80 and urban tracts in the central City. The analysis should go beyond describing existing housing typologies and race and should include local data and knowledge that evaluates patterns and changes overtime at a local (e.g., neighborhood to neighborhood) level.

Disparities in Access to Opportunity: While the element generally identifies and describes local and regional patterns and trends in disparities in access to opportunity for education, transit, economic, and environmental quality, additional analysis should be provided for economic opportunity, environmental conditions, and transit options. Specifically, the element should consider Travis Airforce Base in the assessment of economic opportunity. Environmental conditions identified in the northeastern portion of the City and between Buck Avenue and I-80 should also be analyzed and related to all

aspects of the fair housing analysis. Lastly, the element should analyze disparities in access to transit for persons with disabilities, specifically for those living in the Leisure Town Community. A complete analysis should evaluate disparities in environmental, economic, and transit opportunities while utilizing local, federal, and/or state data and concluding with revised policies and programs as needed.

Disproportionate Housing Needs including Displacement: The element includes some general information on persons experiencing homelessness but should also evaluate those needs, impacts and patterns within the City, such as areas of higher need. For instance, the element should examine disproportionate impacts on protected characteristics (e.g., race, disability) and patterns of need, including access to transportation and services. In addition, the element identifies an overpayment rate of 38 percent for all households, with almost 54 percent of all renter households overpaying for housing within Vacaville. The element should be revised to include meaningful policies and programs that meet the need including any gaps of overpayment within the City.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): The element must include data on the location of regional housing need allocation (RHNA) sites by income group relative to all fair housing components. The analysis should address the number of units by income group and location, any isolation of the RHNA by income group, magnitude of the impact on existing concentrations of socio- economic characteristics and discuss how the sites improve fair housing conditions. The analysis should be supported by local data and knowledge and other relevant factors and programs should be added or modified as appropriate to promote inclusive and equitable communities.

Local Data and Knowledge and Other Relevant Factors: As noted in the prior finding, the element must supplement the analysis and complement state and federal data with local data and knowledge to capture emerging trends and issues, including utilizing knowledge from local and regional advocates, public comments, and service providers. Additionally, the element should analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

Contributing Factors: 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 AFFH.

Goals, Priorities, Metrics, and Milestones: Goals and actions must significantly seek to overcome contributing factors to fair housing issues and must include quantifiable metrics and milestones for evaluating progress on programs, actions, and fair housing results. Programs must generally address enhancing housing mobility, increasing housing opportunities in high resourced areas, place-based strategies for community revitalization, and addressing displacement risks. Programs also need to be based on identified contributing factors, be significant and meaningful. The element must add, and revise programs based on a complete analysis and listing and prioritization of contributing factors to fair housing issues.

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).)*

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).)

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).)

General: The element includes a quantification of housing needs, including special needs for the Solano County area. While HCD applauds the collaboration and broader efforts to address housing needs and this quantification is generally adequate, the element should also analyze the quantification to better understand housing needs, including special housing needs and formulate appropriate policies and programs. Further, this analysis should be specific to the City of Vacaville. The City may consider a community specific profile to address this requirement. For more information, please see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks>.

Extremely Low-Income Households (ELI): The element must quantify the number of existing ELI households by tenure and analyze their housing needs, including overpayment, overcrowding and other characteristics, resources and strategies and the magnitude of housing needs.

Persons Experiencing Homelessness: While the element identifies the number of persons experiencing homelessness Countywide, it should include an estimate and analysis of persons experiencing homelessness within the City utilizing the most recent Point in Time count.

Farmworkers: While the element presents data on farmworkers within the County using USDA and ACS data, additional analysis must be included for farmworkers within the City. Seasonal and permanent farmworkers often have unique living situations, as a result, the element should acknowledge the housing needs of permanent and seasonal farmworkers at a City and regional level and should enhance existing policies and programs based on the analysis. For additional information, please see the Association of Bay Area Governments, (ABAG) farmworker tool kit: [Farmworker Housing Toolkit | Association of Bay Area Governments \(ca.gov\)](#).

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 RHNA: As you know, the City's RHNA may be reduced by the number of new units built since June 30, 2022, however, the element must demonstrate the affordability of units in the planning period; based on actual sales price, rent level, or other mechanisms ensuring affordability (e.g., deed restrictions). This analysis should specifically address listed pipeline projects on (p. HE-78) (Table 4-4). The element must also discuss availability or likelihood the units will be built in the planning period and should account for any barriers to development, phasing, anticipated build out horizons, market conditions and other relevant factors to demonstrate their availability in the planning period.

Realistic Capacity: While the element lists realistic residential capacity assumptions in mixed-use and commercial zones (50 percent of maximum allowable densities), it must also account for the likelihood of 100 percent nonresidential development. For example, the element could analyze all development activity in these mixed-use zones, how often residential development occurs and adjust residential capacity calculations, policies, and programs accordingly. This analysis may incorporate any proposed policies such as residential performance standards, prohibition of commercial uses and should clarify that all zones allow residential uses, particularly 100 percent residential uses.

Nonvacant Sites: The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites, specifically providing additional analysis on sites 11, 56, 58, 76. To address this requirement, the element provides a brief overview of each site, and provides the current use and zoning but should also analyze the extent that existing uses may impede additional residential development. The analysis can incorporate past experiences converting existing uses to higher density residential development, current market demand for the existing use, existing leases or contracts that would perpetuate the existing use or prevent additional residential development or other relevant information to demonstrate the potential for redevelopment. The element could also consider indicators such as age and condition of the existing structure, expressed developer interest, low improvement to land value ratio, and other factors. Based on a complete analysis the element may need to add or revise programs to facilitate redevelopment.

Availability of Infrastructure: While the element describes there are no water and sewer capacity impediments to development in the planning period (p. HE-39), it should clarify sufficient existing or planned water and sewer capacity to accommodate the City's regional housing need for the planning period.

Environmental Constraints: While the element generally describes a few environmental conditions within the City, it must describe any other known environmental constraints or conditions within the City that could preclude development on identified sites in the planning period (e.g., airport compatibility and related land use controls, shape, contamination, easements, overlays).

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)).

City-Owned Sites: The element provides a brief description of site 78 (Vanden Town Home) but should also analyze the suitability and availability of the site for development in the planning period. The analysis should discuss the status, anticipated steps for development including disposition, any known barriers to development and other relevant factors to development in the planning period. Based on a complete analysis, the element should add or modify programs to comply with the Surplus Land Act, commit to numerical objectives, including affordability, aligned with assumptions in the inventory and a schedule of actions to facilitate development. A schedule of actions may include coordination with appropriate entities, including potential developers, disposition of the land, zoning, funding, facilitating other entitlements and issuing permits. Lastly, the program should identify and make alternative sites with zoning of equivalent capacity and density by a specified date if sites are not made available by a date early 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/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 mentions two special overlay zones were adopted to allow emergency shelters without a conditional use permit (CUP) but does not clarify shelters were permitted without discretionary action. Further, the element indicates the overlay zones were placed on an existing shelter and no lands are available in the remaining areas. Essentially, the element appears to describe the City never met requirements to permit emergency shelters without discretionary action or identify sufficient capacity to accommodate the need for emergency shelters. If this is the case, the element cannot be found in compliance until a zone is established with sufficient capacity since a zone, at the least, should have been established within one year of adoption of the element in the prior planning period.

In addition, the element lists several potential zones, including vacant and underutilized acreage (p. HE-125) and includes a program to establish zoning. However, the program commits to only amend one or more zones, not all of the listed zones and, as a result, the element does not demonstrate sufficient capacity to accommodate the need for emergency shelters. For example, neither the DC nor the DMU zones appear adequate with suitable capacity to accommodate the need for emergency shelters by themselves. To address this requirement, the element could identify at least the minimum zone that will be

amended, commit to amend three or more zones or analyze sufficient capacity for each zone. Further, the element should discuss the suitability of the sites for an emergency shelter, including typical parcel size, reuse and redevelopment opportunities, proximity to transportation and services and condition fit for human habitability and appropriateness of development standards to facilitate the development of an emergency shelter.

- *By-Right Permanent Supportive Housing (AB 2162)*: 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.

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 for on housing supply (number of units), cost, feasibility, timing and ability to achieve maximum density without exceptions. The analysis must specifically describe and analyze SB 330 requirements, minimum lot area coverage, height limits, setbacks, and recreational area requirements. The City may engage the development community to assist in this analysis.

Fees and Exaction: The element lists planning fees but should also analyze those fees for impacts on housing costs. The analysis should specifically address the conditional use permit and density bonus agreements. In addition, the element describes the total impact of fees on single family and multifamily development, but the analysis appears limited to building and planning fees. The element should clearly list and evaluate all planning and impact fees for their cumulative effect on development costs on a per unit basis and add or modify programs as appropriate.

Local Processing and Permit Procedures: While the element includes some general processing steps, it should also describe and analyze processing times and the procedures for a typical single family and multifamily development that is consistent with zoning. The analysis should address the approval body, the number of public hearings, if any, approval findings and any other relevant information. In addition, the analysis should address impacts on housing cost, supply, timing and approval certainty. Lastly, the element must describe the CUP requirement for multifamily housing in CO/MXU districts, including the determination of development standards.

Finally, the element should discuss compliance with the Permit Streamlining Act and intersections with CEQA and timing requirements, including streamlining determinations and add or modify programs as appropriate.

On/Off-Site Improvements: While the element mentions subdivision level improvement requirements (p. HE-136), it must still analyze site improvements for impacts on housing costs and supply (number of units).

Codes and Enforcement: The element should clarify any locally adopted amendments to the building code and describe and analyze the degree and type of code enforcement for impacts on housing supply and affordability.

Other Ordinances: The element should further evaluate various General Plan policies described on (p. HE-154) as potential growth control measures. Policies and programs should be updated to address any potential constraints on housing supply.

Constraints on Housing for Persons with Disabilities: The element briefly describes its reasonable accommodation procedures. However, the element should also describe the process and decision-making criteria and analyze approval findings as potential constraints on housing for persons with disabilities.

5. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including... 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).)*

Permit Times: The element must analyze the length of time between receiving approval for a housing development and submittal of an application for building permits. The element mentions the length of time between project approval in many cases is determined by the applicant (p. HE-135). However, the element should still quantify the length of time. Based on the length of time, the element should analyze any hinderances on the construction of a locality's share of the regional housing need and add or modify 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 achieve the goals and objectives of the housing element, programs must have discrete timing (e.g., at least annually or by 2025) and specific commitment to housing outcomes and refrain from language such as “consider” while also having discrete timing (e.g., at least annually or by January 2024).

Examples of programs to be revised with discrete timing include Programs HE-2 (Special Housing Needs and Underserved Population), HE-4 (ADU/JADU), HE-5 (Affordable Housing Construction), HE-6 (Supportive Housing), HE-7 (Emergency Shelters), HE-10 (Infill Development), HE-11 (Streamlining Housing), HE-12 (Centralized Housing Services Coordinator), HE-17 (Citywide Densities and Zoning), HE-23 (Below Market Rate Loan), HE-24 (First Time Homebuyer), HE-25 (Housing Rehabilitation) and HE-29 (Support for Agencies Serving the Homeless).

Examples of programs to be revised with specific commitment include Programs HE-2 (Special Housing Needs and Underserved Population), HE-3 (Variety of Housing Types), HE-4 (Accessory Dwelling Units, Junior Dwelling Units), HE-5 (Affordable Housing Construction), HE-17 (City Wide Density and Zoning), HE-18 (Site Inventory Rezoning Program), HE-19 (Alternative Parking Standards), HE-34 (Demolition, Replacement Housing and Displacement) and HE-39 (California Environmental Quality Act).

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... 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 HE-15e (Planning Regulation Amendments) should specifically commit to amend zoning and permit emergency shelters without discretionary action, appropriate development standards in compliance with statutory requirements and, as noted in Finding B3, clarify the minimum zone that will be amended or amend.

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).)*

Several actions commit to “partner”, “explore”, “encourage” housing. While these efforts are important and meaningful, these efforts should be complimented by additional steps that lead to housing outcomes. For example, Program HE-2 (Special Housing Needs and Underserved Populations) should include clear and specific commitment to identify affordable development opportunities, grant incentives, assist with funding and process entitlements on an annual basis. The Program should also commit to a numerical target and evaluate and adjust efforts as necessary every other year.

In addition, the element should include specific commitment to address the needs of farmworkers. For example, the element could commit to proactive actions to coordinate with nonprofit developers, employers, and other related organizations, to explore funding and incentives and to identify specific development opportunities.

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 Finding 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-15f (Planning Regulation Amendments):* The Program should clearly commit to allow group homes for seven or more persons in all residential zones.
 - *Program HE-15h (Planning Regulation Amendments):* The Program must commit to suspending the City's growth management ordinance until January 1, 2034 pursuant to Government Code section 66301.
 - *Program HE-17 (Citywide Densities and Zoning):* The Program should commit to amend all development standards as appropriate to facilitate achieving new maximum densities and housing types.
 - *Program HE-19 (Alternative Parking Requirements):* The Program should specifically commit to reduce parking requirements and establish creative alternatives (beyond considering actions).
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 revitalization and displacement protection.