

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

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August 24, 2022

Jeff Mitchem, Director
Planning and Building Department
City of Calistoga
1232 Washington Street, Calistoga, CA 94515

Dear Jeff Mitchem:

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

Thank you for submitting the City of Calistoga's (City) draft housing element received for review on June 23, 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. In addition, HCD considered comments from YIMBY Law and Greenbelt Alliance 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 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). 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 rezones to accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) 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 hard work and dedication of your 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 Chelsea Lee, of our staff, at Chelsea.Lee@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 CALISTOGA

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).)*

Enforcement & Outreach: The element currently describes cases filed with the Fair Housing Enforcement Organization (FHEO), but it must also describe the City's capacity to provide enforcement and outreach, which can consist of actions such as the ability to investigate complaints, obtain remedies, or engage in fair housing testing. In addition, the element 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 includes some data and analysis regarding different patterns for various socio-economic characteristics (race and income). However, a complete analysis should include maps and data on all fair housing components and analyze this data for patterns and trends at the local and regional level including integration and segregation (race, income, disability, and familial status), disparities in access to opportunity (education, environmental, transportation, economic), and disproportionate housing needs (cost burdened, overcrowded, substandard housing conditions, homelessness, and displacement risks). In addition to evaluating patterns and trends, the element should analyze coincidences with other components of the assessment of fair housing. Lastly, the assessment should be complemented by local data and knowledge, including input from comments, and other relevant factors as described below.

Other Relevant Factors: The element must consider other relevant factors that have contributed to certain fair housing conditions. This analysis must consider information that is unique to the City or region, such as governmental and nongovernmental actions, historical land use and zoning practices (e.g., past redlining/greenlining, restrictive covenants, etc.), disparities in investment to specific communities, or other information that may have impeded housing choices and mobility.

Local Knowledge and Data: 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, public comments, and service providers.

Sites Inventory: The element includes some analysis on the distribution of sites identified to meet the Regional Housing Needs Allocation (RHNA) regarding access to opportunity indicators (pp. 5-10-16). However, 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 effects the existing patterns for all components of the assessment of fair housing (e.g., enforcement and outreach, segregation and integration, disproportionate housing needs including displacement). The element should also discuss whether the distribution of sites improves or exacerbates fair housing conditions and add or modify programs as appropriate.

Contributing Factors and Summary of Fair Housing Issues: While the element includes some contributing factors and a summary of fair housing issues, based on a complete analysis, the element may need to add or revise the identification of contributing factors and fair housing issues.

Goals, Priorities, Metrics, and Milestones: Goals and actions must significantly seek to overcome contributing factors to fair housing issues. Currently, the element identifies programs to encourage and promote affordable housing; however, most of these programs are limited to conducting outreach and do not appear to facilitate any meaningful change nor address affirmatively furthering fair housing requirements. Furthermore, the element must include metrics and milestones for evaluating progress on programs, actions, and fair housing results. Given that most of the City is considered a low and moderate resource community, the element could focus on programs that center 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 affordable housing. Programs also should 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. Furthermore, the element must include geographic targeting, metrics and milestones toward affirmatively furthering fair housing (AFFH) outcomes. For more information, please see HCD's guidance at <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

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) Households: While the element included the total number of projected ELI households, it must quantify and analyze the number of existing ELI households by tenure.

3. *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).)*

Overpayment: While the element quantified the total number of households overpaying by tenure (p. 4-29), it must quantify the total number of lower-income households overpaying by tenure.

4. *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 RHNA: The element is counting 128 units as progress towards the RHNA including 69 units affordable to lower-income households. First, to count these units as progress towards RHNA, the element must demonstrate the availability of these units within the planning period. To address this, the element could discuss project status, schedule for completion, outreach with developments, remaining steps for projects to receive final entitlements and any other relevant information. Additionally, the element must demonstrate the affordability for 1855 Lincoln Ave based on actual or projected sales prices, rent levels, or other mechanisms establishing affordability in the planning period. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/projected-housing-needs.shtml>.

Sites Inventory: While the element lists sites by parcel number, parcel size, zoning, general plan designation, and describes existing uses for non-vacant sites (Appendix 5-1), it must also identify the number of units that can be realistically accommodated on each site. For additional information and sample sites inventory, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/inventory-of-land-suitable.shtml>.

Realistic Capacity: The element provides assumptions for buildout of sites in the inventory by multiplying the maximum allowable density by the size of a parcel. However, the element must also provide support for these assumptions. For example, the element should demonstrate what specific trends, factors, and other evidence led to the assumptions. The estimate of the number of units for each site must be adjusted as necessary, based on the land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

Additionally, for sites that have been identified in zones that allow for 100 percent nonresidential uses, the element must analyze the likelihood that residential will occur in nonresidential zones (e.g., community commercial and high density residential/office). For example, while the element stated that residential densities are required and that multifamily is allowed excluding the ground floor, the element should address other criteria including whether these zones allow for 100 percent commercial projects.

A complete analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning>.

Small Sites: The element identifies five parcels that are less than a half-acre in size (Table 5-3) and concludes that these parcels are contiguous and have common ownership (p. 5-9). However, 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 were successfully developed during the prior planning period for an equivalent number of lower-income housing units as projected for the site or unless the housing element describes other evidence to HCD that the site is adequate to accommodate lower income housing. (Gov. Code, § 65583.2, subd. (c)(2)(A).) For example, a site with a proposed and approved housing development that contains units affordable to lower income households would be an appropriate site to accommodate housing for lower-income households. (Gov. Code, § 65583.2, subd. (c)(2)(C).) The analysis could also describe the City's role or track record in facilitating small-lot consolidation, conditions rendering parcels suitable and ready for lot consolidation, and policies or incentives offered or proposed to encourage and facilitate lot consolidation.

Suitability of Nonvacant Sites: The element identifies one nonvacant site to accommodate the regional housing need including four units for lower-income households. The element must provide an analysis demonstrating the potential for redevelopment. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, any and other information that may prevent redevelopment of the site for additional residential development. Additionally, the element could discuss and regulatory or other incentives or standards to encourage additional residential development on these sites.

Environmental Constraints: While the element identified and analyzed potential environmental constraints for the identified sites and Citywide including flooding, special species, and archaeological resources, it should analyze any other potential environmental constraints or other conditions impacting RHNA sites such as fire hazard or earthquake risks. The element should be revised to include this information and programs should be added or revised as appropriate.

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml> for a copy of the form and instructions. The City/County can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Please note, upon adoption of the housing element, the City/County must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* While the element discussed zoning and capacity for emergency shelters, the element must also identify and analyze any development standards (e.g., spacing, parking, concentration requirements) and other requirements imposed on emergency shelters. Lastly, the element must describe compliance with Government Code section 65583, subdivision a)(4)(A) or include a program to comply with this requirement. For your information, pursuant to Government Code section 65583, subdivision a)(4)(A), parking requirements should be limited to allowing sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.
- *Supportive and Transitional Housing:* The element states that the City permits supportive and transitional housing in all residential zones. Additionally, the element included Table 6-1 listing allowable uses per zoning district. However, this table did not reflect whether transitional and supportive housing are allowed in zones that allow for residential uses (e.g., downtown commercial, community commercial, etc.). The element should reconcile this information and specifically clarify whether the City permits these types of housing as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone pursuant to Government Code section 65583 (a)(5).

Additionally, 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.

- *Housing for Agricultural Employees:* The element must demonstrate zoning is consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.), specifically, sections 17021.5 and 17021.6. 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. For additional information and sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/farmworkers.shtml>.
- *Manufactured Housing:* The element provided information on permitting requirements for manufactured homes in the terms of accessory dwelling units and mobile homes. However, 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.

5. *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. The analysis should analyze land use controls independently and cumulatively with other land use controls. While the element analyzed most relevant land use controls, it must identify and analyze any requirements for minimum or maximum unit sizes. Additionally, the element must analyze requirements related to multifamily parking (i.e., two spaces per unit). For example, the element could include a discussion about applicable development standards in different zones and how a hypothetical project could achieve maximum densities when applying those standards. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints.

Local Processing and Permit Procedures: While the element analyzed most procedures and permitting requirements for various housing types, the element must specifically analyze the requirement of a use permit for multifamily housing for potential constraints on housing. Specifically, the element notes that a use permit is required for multifamily development in mixed-use zones (i.e., community commercial and downtown commercial) and approval findings include compatibility with surrounding uses. Additionally, the City identified a portion of their RHNA in these zones. The analysis should address impacts on housing cost, supply, timing and approval certainty. For example, the element should analyze the required approval findings for impacts on approval certainty and the presence of processes or guidelines to promote certainty and add or modify programs as appropriate.

Constraints on Housing for Persons with Disabilities:

- *Reasonable Accommodation:* The element states the City has a reasonable accommodation procedure (p. 5-2), but it should also analyze the procedure for potential constraints. The analysis should address the process, application requirements, and associated fees and list and evaluate the actual approval findings. Depending on its analysis, the element must add or modify programs as appropriate.
- *Licensed and Unlicensed Residential Care Facilities for Seven or More Persons:* The element states that these uses are permitted with a use permit in residential zones. Additionally, the element indicates that a use permit requires planning commission approval and triggers design review. For your information, zoning

should simply implement a barrier-free definition of family instead of potentially subjecting persons with disabilities to special regulations such as the number of persons, population types, and licenses. The element must analyze this process as a potential constraint for impacts on housing choices, approval certainty, and objectivity for housing for persons with disabilities. Additionally, as part of this analysis, the element should also clarify the differences between “general” and “limited” residential care facilities. Based on a complete analysis, the element may need to add or modify programs to allow these uses with objectivity and certainty.

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

Approval Time and Requests for Lesser Densities: While the element stated that there were no requests from the “public” to develop at densities below those identified in the inventory (p. 6-23), it must clarify and analyze requests from project applicants to develop at densities below those identified in the sites inventory. Additionally, the element must include an analysis of the length of time between receiving approval for a housing development and submittal of an application for building permits. The element must address any hinderance on the development of housing and include programs as appropriate.

7. *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).)*

Special Needs Households: While the element includes some data, a general discussion of housing challenges faced by special needs households, and proposed programs, it still must provide an analysis of the existing needs and resources for each special need group including seniors, female headed households, large households, extremely low-income households, and persons with disabilities. For example, the element should discuss the existing resources to meet housing needs (availability of shelter beds, number of large units, number of deed restricted units, community services, etc.,) and an assessment of any gaps in resources. Local officials, special needs service providers or County social and health service providers may be able to assist with information to complete the analysis. The element may need to add or revise programs and policies based on the outcomes of a complete analysis.

Farmworkers: While the element included data on the number of migrant farmworkers, the element must specifically quantify the number of permanent and seasonal farmworkers within the County (USDA Agriculture Census data).

8. *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).).*

The element states that the City has a portfolio of 203 affordable housing units, however, HCD's records indicate that the City has 287 affordable housing units. The element should reconcile these figures and include the following projects in the inventory: Lincoln Avenue Apartments (77 assisted units located on 1855 Lincoln Avenue) and Calistoga Farm Worker Center (60 assisted units on 3996 North St. Helena Highway).

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).)*

Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. The element must provide quantified objectives where appropriate and all programs should be evaluated to ensure provision of discrete timing (e.g., month and year) to account for how often the action will occur as well as to ensure a beneficial impact throughout the planning period. In addition, the element should be revised as follows:

Specific Commitments: The element includes several programs lacking specific commitments (e.g., "explore," "consider," etc.). While the element can include programs to study certain topics, it includes a preponderance of programs that do not go beyond studying or exploring a particular action. Programs should be amended, as appropriate to include more specific and measurable actions. This includes but is not limited to Actions 1.2-2, 1.2-4, 1.2-6, 1.3-5, 2.1-6, and 2.2-3.

Implementation Actions: As noted above, programs must have clear outcomes or deliverables. Several programs include actions with no description of how those actions will be implemented (e.g., "encourage," "assist," "partner," "maintain," etc.). For example, Program 1.2-1 states that the City will encourage new residential development to be built to the maximum density, however, does not describe how the City will encourage this action from occurring (e.g., develop requirements, pre-application meetings, etc.). Programs should be amended, as appropriate to include

implementation steps. This includes but is not limited to Actions 1.2-1, 2.2-2, 1.2-3, 4.1-2, 4.1-3, 4.1-7, and 4.2-1.

Ongoing Programs: Majority of the programs lists implementation timelines as “ongoing.” While this may be appropriate for some programs, programs with specific implementation actions must include completion or initiation dates resulting in beneficial impacts within the planning period. For example, Action 1.2-6 commits to partnering with the Chamber of Commerce to encourage options for workforce housing and consider programs to connect homeowners to employees in need of housing yet lists the timeline as “ongoing.” To address this, the program should include a timeline for when and how the City will engage and partner with organizations. This and other programs should include specific dates or benchmarks for implementation throughout the planning period. This includes but not is limited to Actions 1.2-6, 1.2-3, 1.3-3, 1.3-4, 2.1-2, 2.1-3, 2.3-1, 4.1-2, 4.1-3, 4.1-5, 4.2-2, 4.3-1, 4.3-2.

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 A4, 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:

Publicly Owned Sites: The element identified City-owned sites to accommodate a portion of the RHNA. The element should include a program with numerical objectives that ensures compliance with the Surplus Land Act, provides incentives and actions along with a schedule to facilitate development of City-owned sites. Actions should include outreach with developers, issuing requests for proposals, incentives, fee waivers, priority processing and financial assistance.

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 Findings A5 and A6, 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. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent...for very low, low-, or moderate-income households... (Gov. Code, § 65583, subd. (c)(7).)*

The element is required to include a program that incentivizes or promotes accessory dwelling unit (ADU) development for very low-, low-, and moderate-income households. While the element included Action 1.2-2, this program does not commit to anything beyond “considering” making amendments to the City’s ADU ordinance. First, HCD’s records indicate that the City has not updated its ADU ordinance to comply with recent state law from 2020-2022. The element must include a specific commitment to update the City’s ADU ordinance to be compliant with state law. Second, as noted, the element must include a program that incentivizes or promotes ADU development. Examples of incentives include pursuing funding opportunities, modifying development standards, and reducing fees beyond state law, increasing awareness, pre-approved plans, and homeowner/applicant assistance tools. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department.

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 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 must include a complete analysis of AFFH. Based on the outcome of that analysis, the element must add or modify programs.

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).)

Based on HCD’s review, the element included quantified objectives for various income categories for conservation, rehabilitation, and construction in two separate places of the element (p. 5-27 and p. 8-16). First, the element should reconcile these tables to consistently report quantified objectives for each income category. Secondly, the element must include quantified objectives for all income levels, including extremely low income households. Lastly, while the element included some quantifiable objectives for conservation, it must include objectives for the number of housing units that will be rehabilitated and conserved/preserved for all income levels (extremely low, very low, low, moderate, and above moderate).