

**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](http://www.hcd.ca.gov)



June 15, 2022

Carlos Fandino, City Administrator  
City of Vernon  
4305 S. Santa Fe Avenue  
Vernon, CA 90058

Dear Carlos Fandino:

**RE: City of Vernon's 6<sup>th</sup> Cycle (2021-2029) Draft Housing Element**

Thank you for submitting the City of Vernon's (City) draft housing element received for review on March 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. Our review was facilitated by a conversation on June 9, 2022 with Director of Public Works Dan Wall and Consultant Philip Burns.

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 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 in the enclosed Appendix, adopt, and submit to HCD to regain housing element compliance.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that

represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets 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 is 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 Colin Cross, of our staff, at [colin.cross@hcd.ca.gov](mailto:colin.cross@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 VERNON

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. Review and Revision**

*Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)*

As part of the review of programs in the past cycle, the element must provide an evaluation of the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female-headed households, farmworkers, and persons experiencing homelessness).

### **B. 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).)*

Segregation and Integration: The element addresses most requirements related to segregation and integration. However, the analysis must also address segregation and integration by familial status, including an evaluation of patterns within the City and the City compared to the region.

Local Data and Knowledge and Other Relevant Factors: The element does not address this requirement. The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. 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.

Site Inventory: The element does not address this requirement. The analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. 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 affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity, etc.). The element should also discuss whether the distribution of sites improves or exacerbates conditions. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., anti-displacement and place-based community revitalization strategies).

Goals, Actions, Metrics and Milestones: Goals and actions must seek to significantly overcome contributing factors to fair housing issues. Current program actions are largely limited to outreach efforts and code enforcement; the element also mentions the Westside Specific Plan, which is not tailored to affirmatively furthering fair housing (AFFH). This is not adequate to satisfy the requirement for specific and meaningful actions. Program actions should be proactive, facilitate meaningful change, and respond directly to the contributing factors to fair housing issues which were identified. The element must add or revise programs based on a complete analysis, and address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies, and displacement protection. Furthermore, the element must include metrics and milestones for evaluating progress towards fair housing goals.

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: The element evaluates the housing needs of ELI households such as the number of households and overpayment but must also identify projected ELI housing needs. The projected housing need for ELI households can be calculated by using available census data to determine the number of very low-income households that qualify as ELI households or presume that 50 percent of the regional housing need allocation (RHNA) for very low-income households qualify as ELI households. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

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).)*

Parcel Listing: The element provides some information about the identified site, including acreage and existing ownership. However, the element must also provide the site's assessor parcel number and General Plan and zoning designations, as well as a map of the site.

Realistic Capacity: The element provides a general description of the realistic capacity of the site. However, the element should provide further support for its assumptions. A full capacity analysis should address zoning, typical land use controls and site improvements.

Nonvacant Sites and Substantial Evidence: The housing element relies upon a nonvacant site to accommodate more than 50 percent of the RHNA for lower-income households. For your information, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period (Gov. Code, § 65583.2, subd. (g)(2).). Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Infrastructure: The element describes infrastructure limitations in the City. However, it must also demonstrate sufficient total water and sewer capacity (existing and planned) to accommodate the regional housing need.

Electronic Site 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/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov) for technical assistance.

#### Zoning for a Variety of Housing Types:

- *Employee Housing*: The element must demonstrate zoning is consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.) or add or modify programs. Specifically, section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone.
- *Emergency Shelters*: The element notes that emergency shelters will be permitted in the Santa Fe North zone as part of the upcoming Westside Specific Plan. The element should also clarify shelters will be permitted without discretionary action and discuss available acreage in the Santa Fe North zone, including the presence of reuse opportunities. In addition, the analysis should address proximity to transportation and services and any conditions inappropriate for human habitability. Finally, because the City presently permits emergency shelters by-right in the Emergency Shelter Overlay, the element should describe and analyze this zone, including but not limited to evaluating development

standards, including parking requirements, for compliance with Government Code 65583(a)(4).

- *Low-Barrier Navigation Centers:* Low-Barrier Navigation Centers 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 65660. The element must demonstrate compliance with this requirement 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 does not identify and evaluate the City's land use controls, noting instead that development standards are often generated on a case-by-case basis (p. 40). The element must identify and analyze all relevant land use controls as potential constraints, including the Housing Overlay and development standards for a typical project in Vernon. The analysis should address land use controls independently and cumulatively with other land use controls. The element should specifically address requirements related to parking, heights, lot coverage and limits on allowable densities, as well as any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities. and include programs to address identified constraints.

On/Off Site Improvements: The element must identify subdivision level improvement requirements, such as minimum street widths (e.g., 40 foot minimum street width), and analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

Processing and Permit Procedures: The element includes limited information about processing. The element should 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. For example, the element should identify and analyze approval findings for impacts on approval certainty, the presence of processes or guidelines to promote certainty and add or modify programs as appropriate.

Housing for Persons with Disabilities: The element notes that the City subjects group homes for seven or more persons to a conditional use permit (CUP) (p. 50), unlike other similar uses. Further, according to the element's fee schedule, this CUP may cost \$16,000 or more (p. 45), which constitutes a constraint for this use. The element should



specifically analyze these constraints for impacts on housing supply and choices and approval certainty and objectivity for housing for persons with disabilities. The element should add or modify programs to mitigate or remove identified constraints as appropriate.

Zoning, Development Standards and Fees: The element must clarify compliance with new transparency requirements for posting all zoning, development standards and fees on the City's website and add a program to address these requirements, if necessary.

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

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).)*

Density and Timing: The element must address requests to develop housing at densities below those anticipated in the inventory, and the length of time between receiving approval for a housing development and submittal of an application for building permits.

6. *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).)*

The element provides quantification and analysis of most populations with special housing needs. However, the element must also quantify and analyze the number of people with developmental disabilities.

7. *Analyze the opportunities for energy conservation with respect to residential development. (Gov. Code, § 65583(a)(8).)*

The element must be revised to provide analysis of opportunities for energy conservation with respect to residential development. For more information, please see HCD's Building Blocks at <https://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/opportunities-for-energy-conservation.shtml>.

## C. 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 address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials.

Timelines: Programs to be revised with definitive implementation timelines include:

- Program 4 (Housing Opportunities for Residents with Special Needs) should commit to when a reasonable accommodation procedure will be added to the municipal code.
- Program 7 (Equal Housing Opportunity) should commit to when the City's website will be updated, when a point of contact will be established and when the City will explore training and develop a code enforcement program.
- Program 9 (Westside Specific Plan Marketing) should commit to when the City will initiate marketing work
- Program 12 (ADU Ordinance) should commit to a date earlier in the planning period for adoption of an ordinance and when incentives and partnerships will be established.
- Program 15 (Housing Grant Application Working Group) should commit to how often the City will seek grant funding.

Objectives: Programs to be revised with quantified objectives include:

- Program 7 (Equal Housing Opportunity)
- Program 12 (ADU Ordinance)

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 B3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning was 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. Additionally:

Rezoning Requirements: The element describes a shortfall of sites and indicates rezoning will occur under the Westside Specific Plan to accommodate the RHNA. While the element includes Program 8 (Westside Specific Plan), it must specifically commit to acreage and allowable densities. In addition, the program should specifically commit to rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i), including requirements for by-right approval and minimum densities and development standards.

Program 10 (Civic Center Residential Development): The Program should include additional actions with a schedule to facilitate development. Specifically, the Program commits to respond to requests for proposals but should also include subsequent actions with timelines to facilitate development such as enter into an agreement by June 2024, expedite permit processing and issue building permits by June 2025.

Zoning for Variety of Housing Types: As noted in Finding B3, the element should add or modify programs to ensure compliance with state law, specifically the Employee Housing Act and AB 101 (Low-Barrier Navigation Centers). In addition, the element includes Program 8 (Westside Specific Plan), which commits to permitting permanent supportive housing in all zones that allow multifamily within the Specific Plan. However, 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. Programs should be added or modified to ensure that all applicable zones, not just the Specific Plan, allow transitional and supportive housing in accordance with state law. Please note that because these actions involve coming into compliance with state law, actions should be completed within one year of adoption of the housing element.

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 must include a program(s) with specific actions and timelines to assist in the development of housing for lower-income households, including ELI households. The program(s) could commit the City to adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to ELI households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/program-requirements/assist-in-development-housing.shtml>.

Additionally, the element should be revised to include a program to adopt an ordinance for compliance with State Density Bonus Law.

Finally, the element must also include a program(s) to assist in the development of housing for all special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households). While the element includes Program 4 (Housing Opportunities for Persons with Special Needs), this program is limited to the adoption of a reasonable accommodation procedure. Program actions could include proactive outreach and assistance to nonprofit service providers and developers, prioritizing some funding for housing developments affordable to special needs households and offering financial incentives or regulatory concessions to encourage a variety of housing types.

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 B4 and B5, 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.

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 B1, the element does not contain a complete analysis to address AFFH requirements. Based on a complete analysis, the element must add or revise programs.

#### **D. 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).)*

The element provides a summary of quantified objectives for the 6<sup>th</sup> Cycle on page 10 of the document. However, quantified objectives should also be included for extremely low-income households. In addition, the City's objectives for conservation currently state that "all" units will be preserved. The element should be revised to provide a quantified estimate for the number of units conserved and preserved during the planning period.