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

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May 17, 2021

Anthony Shute, Director Community Development Department City of El Cajon 200 Civic Center El Cajon, CA 92020

Dear Anthony Shute:

## RE: Review of El Cajon's 6th Cycle (2021-2029) Draft Housing Element Update

Thank you for submitting the City of El Cajon's (City) draft housing element received for review on March 18, 2021, along with revisions received on May 7, 12 and 13, 2021. 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 telephone conversation on May 3, 2021 with Melissa Devine from the City and the City's consultants Veronica Tam and Holli Safran.

The draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code):

 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))

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).)

<u>Enforcement and Outreach</u>: While the housing element includes a summary of fair housing enforcement actions, complaints, and outreach capacity (p.46), the analysis must describe compliance with existing fair housing laws and regulations.

Integration and Segregation: The element includes some data on integration and segregation and analyzes trends over time on segregation amongst different races. However, the element must also analyze patterns and trends across different census tracts or community areas and compare the City to the broader region. The analysis should also include integration and segregation patterns and trends among persons with disabilities, income, and familial status. Overall, the analysis needs to review and discuss trends, patterns, other data and knowledge, relevant factors, and conclude with a summary of any identified issues.

Racial/Ethnic Areas of Concentration of Poverty: The element provides no data or analysis on racially and/or ethically concentrated areas of poverty. The element must include an analysis of racially and ethnically concentrated areas of poverty. It should be conducted at a regional and a local level where the incidence of concentrated areas of poverty is discussed relative to the region and within the locality. This should also discuss the incidence of racial concentrations in areas of affluence. Lastly, the analysis must include trends, patterns, other data and knowledge, relevant factors, and conclude with a summary of any identified issues.

Access to Opportunity: The element does include some data and analysis related to access to opportunity based on transit, employment, education, and place based vs. people-based opportunities. However, the analysis must also include trends, patterns, other data and knowledge, relevant factors, and conclude with a summary of any identified issues.

<u>Disproportionate Housing Needs and Displacement</u>: While the element does include some data on overcrowded units and cost burdened households in the demographics section (p.15-18), it must also analyze the data for trends, patterns and local knowledge. It should also analyze this data as part of determining which populations may be at risk of displacement. Lastly, the analysis should conclude with a summary of any identified issues.

<u>Sites Inventory</u>: The element must identify and analyze the number of units, location, and assumed affordability on identified sites relative to all components of the assessment of fair housing. Lastly, the element needs to analyze and conclude whether the identified sites improve or exacerbate each of the fair housing issue area.

<u>Contributing Factors</u>: The element must identify and prioritize contributing factors to fair housing issues. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of

regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices.

Goals, Priorities, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of analysis described above. Goals and actions must specifically respond to the analysis and 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 metrics and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

2. An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities 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. (Gov. Code, § 65583, subd. (c)(1).)

Suitability of Nonvacant Sites: The element must include an analysis to demonstrate the potential for redevelopment. The analysis shall consider factors, including but not limited to the extent existing uses constitute an impediment; past experience; development trends and market conditions. The element generically lists existing uses such as commercial or warehouse and, in some cases, further describes existing uses to demonstrate potential for additional development. However, the further description of existing uses is not completed for all sites and many sites include a general description such as "Older property in similar condition as other recently recycled properties". The element should include a complete discussion of reasons for redevelopment for all identified sites utilized toward the regional housing need. Further, the element notes several factors were used to identify the sites with the most potential for additional development in the planning period such as improvement to land value ratios, existing floor area ratio and age of structures. The element should list the actual values for each of the sites to

better relate the overall analysis to the sites inventory. Further, the element mentions recent redevelopment but should also discuss the characteristics of those trends or other information that support the various assumptions (e.g., age of structure, floor area, improvement to land value ratios) used to identify sites with additional development potential.

In addition, because the element relies on nonvacant sites for more than 50% of the Regional Housing Needs Allocation (RHNA) for lower-income (p.80), it must make findings of substantial evidence that the existing use does not constitute an impediment to development, and that the existing use is likely to discontinue.

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 <a href="https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element">https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element</a> for a copy of the form and instructions. The City can reach out to HCD at <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a> for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a>

<u>Programs</u>: As noted above, 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.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

As a reminder, the City's 6<sup>th</sup> cycle housing element was due April 15, 2021. As of today, the City has not completed the housing element process for the 6<sup>th</sup> cycle. The City's 5<sup>th</sup> cycle housing element no longer satisfies statutory requirements. HCD encourages the City to make revisions to the element as described in this letter, adopt, and submit to HCD to regain housing element compliance.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of April 15, 2021 for SANDAG localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375">http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375</a> final100413.pdf.

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 will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work City staff, Melissa Devine, and consultants, Veronica Tam and Associates, provided during the course of our review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Sohab Mehmood, of our staff, at Sohab.Mehmood@hcd.ca.gov.

Sincerely,

Shannan West

Land Use & Planning Unit Chief