

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

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February 28, 2024

Mark E. Hamilton, Director  
Community and Economic Development Department  
City of Chowchilla  
130 South 2<sup>nd</sup> Street  
Chowchilla, CA 93610

Dear Mark E. Hamilton:

**RE: City of Chowchilla's 6<sup>th</sup> Cycle (2024-2032) Draft Housing Element**

Thank you for submitting the City of Chowchilla's (City) draft housing element received for review on November 30, 2023. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The draft element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et. seq.). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

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.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government does not adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2024), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) 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 does not 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.

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 Affordable Housing and Sustainable Communities program, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

<https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the hard work and diligence of the City in preparing a housing element update and is 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 Claire Sullivan, of our staff, at [Claire.Sullivan@hcd.ca.gov](mailto:Claire.Sullivan@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 CHOWCHILLA**

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <https://www.hcd.ca.gov/planning-and-community-development/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

### **A. 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).)*

Special Housing Needs: While the element discusses various accomplishments related to past programs, it should also evaluate the cumulative effectiveness of programs in addressing special housing needs (e.g., elderly, persons with disabilities, large households, farmworkers, female-headed households and persons experiencing homelessness). For example, the element could discuss prior objectives related to special housing needs, any accomplishments or implementation and whether programs were effective in addressing special housing needs. Based on the outcome of this evaluation, the element should add or modify programs to address special housing needs.

### **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).)*

Enforcement and Outreach: The element must describe outreach and capacity to provide enforcement and outreach which can consist of actions such as the ability to investigate complaints, obtain remedies, engage in fair housing testing and outreach and education efforts. For example, the element mentions enforcement cases but could also describe the City's partnership with the Fair Housing Council of Central California and the effectiveness of outreach and education in reaching households across geographies and protected characteristics. In addition, the element identifies the number housing discrimination complaints but should also discuss the characteristics of complaints relative to protected persons (e.g., disability, familial status, race). Finally,

the analysis should address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints.

Disproportionate Housing Needs Including Displacement Risks: The element includes some general information on persons experiencing homelessness and housing conditions but should also evaluate those needs, impacts and patterns within the City, such as areas of higher need. For homelessness, the element should examine patterns of need or areas with higher concentrations of persons experiencing homelessness, including access to transportation and services. For housing conditions, the element should discuss any areas of potentially higher needs of rehabilitation and replacement. The element should utilize local data and knowledge such as the recent housing condition survey, service providers and code enforcement officials to assist this analysis.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): The element generally does not address this requirement. The analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. An 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). 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).

Local Data and Knowledge and Other Relevant Factors: The element included some information about census tracts. However, the element should utilize local data and knowledge and other relevant factors to better describe fair housing conditions and local (within the City) and regional (City compared to region) patterns. For example, local data and knowledge can include City officials, local and regional advocates and service providers, past studies, infrastructure assessments and other demographics such as tenure, age of structure and housing unit types. Other relevant factors can include governmental and nongovernmental actions, historical land use and zoning practices (e.g., past redlining/Greenlining, restrictive covenants, planning documents, etc.), disparities in investment to specific communities including transportation investments, seeking investment or lack thereof to promote affordability and inclusion, local initiatives, or other information that may have impeded housing choices and mobility.

Contributing Factors: Based on the outcome of a complete analysis, the element should reassess and prioritize contributing factors to fair housing issues and prioritize those factors and then formulate appropriate policies and programs.

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).)*

Extremely Low-Income (ELI) Households: While the element includes some basic information about ELI households, given the unique and disproportionate needs of ELI households, the element must include analysis to better formulate policies and programs. For example, the element could analyze cost burden, overcrowding and other household characteristics then examine the effectiveness of policies and resources to determine gaps in housing needs. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs>.

Housing Costs: The element includes information on median contract rents based on data from the American Community Survey (ACS) but should also utilize more current data (e.g., Zillow, Apartments.com) to better reflect market conditions.

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 in Meeting the Regional Housing Need Allocation (RHNA): The City's RHNA may be reduced by the number of new units built since June 30, 2023; however, the element must demonstrate their affordability and availability in the planning period. For affordability, while the element discusses the conditions of approval for housing units affordable to lower-income households, it should also demonstrate affordability for units used toward the moderate-income RHNA. Affordability should be demonstrated based on actual or anticipated rent and sales prices or other mechanisms ensuring affordability. For availability, the element discusses the status of Woodcrest, Legacy Ranch and Lone Oak but should also address any remaining steps to permitting units, likelihood of being built in the planning period and any known barriers that would preclude development in the planning period. Lastly, given the element's reliance on pipeline projects, the element should add or modify programs to facilitate development (e.g., coordination with applicants to approve remaining entitlements, expediting approvals) and monitor progress toward completion in the planning period, including alternative actions (e.g., rezoning) to be completed by a specified date if pipeline projects are not progressing toward completion in the planning period.

Environmental Constraints: The element describes potential environmental constraints and other potential constraints such as shape and access to existing roadways but should also address any other known conditions that preclude development in the planning period. Examples of other known conditions include access, property conditions, easements, Williamson Act contract and airport or other overlays.

Accessory Dwelling Units (ADU): While the element may utilize ADUs toward the RHNA, it should demonstrate the potential affordability of ADUs by income group. The

element currently utilizes a one bedroom rent to assume ADUs will be affordable to lower-income households. However, the element should adjust this analysis and assumptions based on current market rents and should account for differences between older and newer rental stock.

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](mailto:sitesinventory@hcd.ca.gov) for technical assistance.

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

- *Emergency Shelters*: The element generally describes acreage and capacity but should also analyze proximity to transportation and services.
  - *Employee Housing*: The element must demonstrate zoning is consistent with the Employee Housing Act (Health and Safety Code, Section 17000 et seq.). Specifically, section 17021.8 requires that a development is subject to a streamlined, ministerial approval process and is not subject to a conditional use permit (CUP) if the development is an eligible agricultural employee housing development. Based on a complete analysis, the element should add or modify programs.
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... (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 specifically address requirements related to multifamily heights, and minimum lot size in the Neighborhood Commercial (C-N) zone. For multifamily heights, the element should clarify whether 3 stories are allowed within 35 feet, address the CUP as a potential constraint and analyze any impact on the ability to achieve maximum densities. For minimum lot size in the C-N zone, the element should discuss any impacts on the supply of housing such as evaluating whether the standard impacts the ability to develop existing and future sites. Based on the outcomes of a complete analysis, the element should add or modify programs to address identified constraints.

Building Codes and Enforcement: The element should clarify whether the most recent version (2022) of the building code is used and should evaluate the type of enforcement (e.g., complaint-based, proactive), including any impacts on lower-income households. For additional information and a sample analysis, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/codes-and-enforcement-and-onsite-offsite-improvement-standards>.

Water Sewer Priority: Water and sewer service providers must establish specific written procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) While the element states the City will grant priority service, it should clarify whether a written procedure is available and if not, add or modify programs to establish a written procedure by a date early in the planning period.

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).)*

Time between Approval and Requests for Building Permits: The element mentions that market factors can constrain the timing between project approval and requests for building permits. However, the element should identify the typical time for a housing development and whether that length of time is a hinderance on achieving the RHNA in the planning period.

## **C. Housing Programs**

1. *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 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 2.I (Lower-income Opportunity Sites) could clarify that by-right approval will be without discretionary action and specifically reference sites identified in prior planning periods pursuant to Government Code section 65583.2, subdivision (c).

2. *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).)*

Program 2.a (Developer Outreach and Partnership): The Program should specifically commit to identify development opportunities at least every other year as part of outreach and assistance.

Program 5.e (Farmworker Housing Development): While the Program commits to develop a farmworker housing facility, it should also commit to other actions to assist in the development and conservation of housing for 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, annually identify specific development opportunities, pursuing strategies to integrate affordable housing and targeting rehabilitation and conservation and improvement programs toward farmworkers.

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 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.

In addition, Program 2.b (Density Increase) should be revised based on a complete analysis as noted in Finding B4. In addition, the Program should specifically commit to address the CUP requirement for increasing heights, particularly in multifamily zones.

4. *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 requires a complete AFFH analysis. Depending upon the results of that analysis, the City may need to revise or add programs. 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 numerical targets and, as appropriate, address housing mobility enhancement (housing choices and affordability across geographies), new housing choices and affordability in higher opportunity or income areas (throughout the City), place-based strategies for community preservation and revitalization, and displacement protection.

5. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a)... (Gov. Code, § 65583, subd. (c)(6).)*

Program 4.d (Notification of Owners of At-Risk Units): The Program should commit to assist with funding or assist with funding applications as part of coordinating qualified entities that can manage and acquire at-risk properties.