

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

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October 25, 2022

Dawn Nevers, Assistant Director  
Community Development Department  
City of Oroville  
1735 Montgomery Street  
Oroville, CA 95965

Dear Dawn Nevers:

**RE: City of Oroville's 6<sup>th</sup> Cycle (2022-2030) Draft Housing Element**

Thank you for submitting the City of Oroville's (City) draft housing element received for review on July 18, 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 the Butte Environmental Council pursuant to Government Code section 65585 (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.

As a reminder, the City's 6th cycle housing element was due June 15, 2022. 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 above, adopt, and submit to HCD to regain housing element compliance.

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 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 appreciates the hard work and dedication of the City's housing element team during the 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 Jose Ayala, of our staff, at [Jose.Ayala@hcd.ca.gov](mailto:Jose.Ayala@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 OROVILLE

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/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/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

### A. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Outreach and Enforcement: While the element summarizes fair housing complaints and outreach capacity, it should also address how the City complies with state and federal fair housing laws, including regulations, lawsuits, and related enforcement actions. For more information, see page 29 of HCD's Affirmatively Furthering Fair Housing (AFFH) Guidance Memo at <https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing>.

Disproportionate Housing Needs, Including Displacement Risk: While the element includes discussion on disproportionate housing needs, this discussion should also address patterns and characteristics related to persons experiencing homelessness and housing conditions, including mobile home parks. The analysis should also evaluate any similarities with other components of the assessment of fair housing (e.g., segregation and integration, disparities in access to opportunity). The element should add or modify programs based on the outcomes of this analysis. For example, the element could include a program to conserve and improve mobilehome parks.

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).)*

Progress toward the Regional Housing Need Allocation (RHNA): The element (Appendix B) lists several sites to accommodate the lower-income RHNA as pending projects. As a result, the element should demonstrate the affordability and availability of these pending projects in the planning period. Affordability should be demonstrated based on anticipated or actual sales prices, rents, or other mechanisms ensuring affordability (e.g., deed-restrictions). The availability or likelihood that the units will be

built in the planning period should account for any barriers to development, phasing, anticipated build-out horizons, market conditions, and other relevant factors.

Environmental Constraints: The element provides general information regarding known environmental constraints but should relate this information to identified sites, including whether environmental or any other conditions preclude or impact development in the planning period.

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov). While the element utilizes this form, the inventory, including any changes, should also be submitted with the adopted housing element. 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:* While the element notes emergency shelters are permitted in the R-3 and R-4 zoning districts, it should clarify whether emergency shelters are subject to any special development standards beyond R-3 and R-4 development standards and include analysis and programs as necessary.
  - *Permanent Supportive Housing:* While the element states the City will comply with AB 2162 requirements (p. 247), it must also add or modify programs to amend zoning or establish written procedures and comply with Government Code section 65651.
  - *Accessory Dwelling Units (ADUs):* While the element (p. 236) describes a need to update the City's Municipal Code to fully comply with changes to State ADU Law, it should also describe how the City will comply with ADU law in the interim.
3. *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).)*

Processing and Permit Procedures: The element (p. 245) references several discretionary review processes; however, it should describe and evaluate the procedures for a typical single-family and multifamily development complying with the general plan and zoning. The analysis should address the type of permit, approval body, typical number of public hearings if any, approval findings, and evaluate impacts on housing supply (number of units), costs, feasibility, timing, and approval certainty.

In addition, while the element states the City will comply with streamlining procedures pursuant to Government Code section 65913.4 (SB 35), it should include a program to establish written procedures early in the planning period.

Housing for Persons with Disabilities: The element indicates that community care facilities for seven or more persons are excluded from various zoning districts, particularly lower density residential zones and subject to a Use Permit, with findings that potentially hinder the establishment of that housing type. However, a community care facility in a single-family residence is no different a use and should be treated just like the use, a single-family residence. Different treatment is potentially discriminatory and negatively impacts the City's obligation to affirmatively further fair housing (AFFH). The element must include a program to amend the zoning to allow these uses in all residential zones and revise permit procedures to promote objectivity and approval certainty.

In addition, the element (p. 234) describes the definition of family and indicates households must have a single lease or rental agreement. These provisions could preclude housing for persons with disabilities. The element should add or modify programs to address the constraint.

## **B. Housing Programs**

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element. (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and address the goals of the housing element, programs must be revised with discrete timelines (e.g., month and year) early in the planning period. The element has several programs that are benchmarked to the adoption of the housing element. Given the element was due June 15, 2022 and the City has not completed or adopted the housing element, these programs should be revised with a date certain (e.g., by June 2024). Examples of these programs including Programs 1.2.2 (Low Barrier Navigation Center), 1.2.5 (ADU Incentives/Affordable Rentals), 2.1.2 (No Net Loss/Unit Production Evaluation Program), 2.1.4 (Agricultural Worker Housing Code Amendments), 2.1.5 (Transitional Housing Code Amendments), 2.1.6 (Supportive Housing Code Amendments), 2.1.7 (Accessory Dwelling Unit Code Amendments), 2.1.8 (Emergency Shelter Code Amendments), 4.1.1 (Code Enforcement), and 6.3.3 (Community Engagement Program).

Additionally, some programs should include metrics or numerical targets and/or objectives for the planning period. Examples include Programs 1.2.4 (Technical Assistance Program), 1.2.5 (ADU Incentives/Affordable Rentals), 3.1.2 (Community Engagement Program), and 4.1.1 (Code Enforcement).

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 A2, 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.

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 (pp. 197-200) cites an increasing need for farmworker housing in the region and as a result, it should add or modify programs to assist in the development of housing for farmworkers. Action could include proactive actions to coordinate with non-profit developers, employers, and other related organizations, to explore and assist with funding and incentives, and to identify specific development opportunities every other year.

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... (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding A3, 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.

5. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. Programs must be responsive to the assessment of fair housing, be significant and meaningful toward AFFH and include specific commitments, milestones, geographic targeting, and metrics or numeric targets as appropriate.

### **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).)*

The element must include quantified objectives to establish an estimate of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes these objectives for construction, it must also include conservation objectives not limited to at-risk preservation. For example, conservation objectives could include Programs 4.1.1 (Code Enforcement) and 5.1.1 (Energy Conservation Outreach).