

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

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November 22, 2021

Robert Dalquest, Director
Development Services Department
City of Upland
460 N. Euclid Ave
Upland, CA 91786

Dear Robert Dalquest:

RE: City of Upland's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Upland's (City) draft housing element received for review on September 24, 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 conversation on November 10, 2021 with you, City Associate Planner, Josh Winter and the City's consultant, John Douglas.

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 above, 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 this statutory deadline, 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.

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 can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. 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.

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: http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

HCD appreciates the hard work and dedication the City's housing element team provided 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 Reid Miller, of our staff, at Reid.Miller@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF UPLAND

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).)

General: While the element includes some information on the progress in implementation from the previous element, it must evaluate the effectiveness of programs and reflect the results in the current element. Table A1 provides the "Status of Program Implementation" for each program in the 2013-2021 Housing element, but it does not provide adequate analysis of the effectiveness of each activity, what was learned from implementing the program in the previous element, and how that knowledge has been incorporated to either continue, modify, or discontinue the program in the current housing element cycle. Table A1 should also specifically name which programs will be continued in the 6th cycle housing element.

Special Needs Populations: As part of the review of programs in the past cycle, the element must provide cumulative 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).)*

The element provides a general overview of Affirmatively Furthering Fair Housing (AFFH), beginning on page H-22, including general information on outreach. However, it generally does not address this requirement. The element, among other things, must include outreach, an assessment of fair housing, analysis of the sites inventory, identification, and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers

that restrict access to opportunity. For further guidance, please visit HCD's AFFH in California webpage 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 (ELI) households. (Gov. Code, § 65583, subd. (a)(1).)*

Employment Trends: While the City does provide some analysis of employment trends on Page H-6, it should also provide an analysis of the largest employers in the City as well as the City's unemployment rate.

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 identifies the total number of overpaying households, it must quantify and analyze the number of overpaying households by tenure (i.e., renter and owner), including lower-income households.

Housing Conditions: The element identifies the age of the housing stock (p. H-19). However, it must include analysis of the condition of the existing housing stock and estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including non-profit housing developers or organizations.

Average Rental Costs: While the element provides some information as to housing costs on page H-12, it does not include the average rental cost in the City. This number must be included to complete the housing needs assessment.

Vacancy Rates: While the element identifies the total percentage for the overall vacancy rate in the City (p. H-8), it must quantify and analyze the vacancy rate by tenure (i.e., renter and owner).

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).)*

The City has a regional housing need allocation (RHNA) of 5,686 housing units, of which 2,543 are for lower-income households. To address this need, the element relies on vacant sites, underutilized sites, as well as sites to be upzoned and rezoned. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Progress in Meeting the RHNA: The City's RHNA may be reduced by the number of new units built since July 1, 2021. The element indicates (p. H-48 and H-71) 921 approved units toward the RHNA but must also demonstrate the affordability of the units. Specifically, the element must assign these units to the various income groups based on actual or anticipated sales price or rent level of the units or other mechanisms ensuring affordability (e.g., deed-restrictions) and demonstrate their availability in the planning period. Additionally, the element must list the current status and estimated completion date of the approved projects listed in the sites inventory.

Sites Inventory: The element lists parcels by various factors such as size, zoning, general plan designation and existing use. However, the description of existing use must include sufficient detail to facilitate an analysis of the potential for additional development on nonvacant sites. For example, many sites that are listed as "vacant" and candidate sites for rezoning have existing uses (e.g., Site 90 has an existing use of "well site", Site 93 has a parcel with an existing use of "storage yard", and some sites list an existing use as "flood control"), but those uses are not sufficiently described nor analyzed to demonstrate additional development potential in the planning period.

In addition, for sites that are candidates for upzoning and rezoning, the inventory should also list both the current and proposed general plan and zoning designations. The element must also include realistic capacity by parcel, include general plan and zoning designations for all parcels.

Realistic Capacity: While the element (p. H-48) mentions an assumption of 80 percent of maximum allowable densities to calculate residential capacity on identified sites, it 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. The element also needs to analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow 100 percent nonresidential uses (e.g., mixed-use). This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development. The analysis should include examples of recent developments with similar capacities to support the assumptions in the inventory for both vacant and nonvacant sites.

Nonvacant Sites: The element identifies nonvacant sites to accommodate the regional housing need for lower-income households, but does not describe the methodology used to determine the additional development potential within the planning period. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, and regulatory or other incentives or standards to encourage additional residential development on these sites. (Gov. Code, § 65583.2, subd. (g).) For sites with residential uses, the inventory could also

describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For nonresidential sites, the inventory could also describe whether the use is operating, marginal or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment.

In addition, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) This can be demonstrated by providing substantial evidence that the existing use is likely to be discontinued during the planning period. (Gov. Code, § 65583.2, subd. (g)(2).)

Sites Identified in Prior Planning Periods: Sites identified in prior planning periods shall not be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within three years. The element should clarify if sites were identified in prior planning periods and if so, which sites and include a program if utilizing previously identified sites in the current planning period. For more information on program requirements, please see HCD's Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Small Sites: The element identifies several sites consisting of aggregated small parcels with less than 50 units per site capacity. The element must describe whether these aggregated parcels are expected to develop individually or consolidated with the other small parcels. For parcels anticipated to be consolidated, the element must demonstrate the potential for lot consolidation. For example, analysis describing the City's role or track record in facilitating small-lot consolidation, policies or incentives offered or proposed to encourage and facilitate lot consolidation, conditions rendering parcels suitable and ready for redevelopment, recent trends of lot consolidation, and information on the owners of each aggregated site. For parcels anticipated to develop individually, the element must describe existing and proposed policies or incentives the City will offer to facilitate development of small sites. Please be aware 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).)

Replacement Housing Requirements: If the sites inventory identifies sites with existing residential uses, it must identify whether the current residential uses are affordable to lower-income households or describe whether the additional residential development on the site requires the demolition of the existing residential use. For nonvacant sites with existing, vacated, or demolished residential uses and occupied by, or subject to an affordability requirement for, lower-income households within the last five years there must be a replacement housing program for units affordable to lower-income households. (Gov. Code, § 65583.2, subd. (g)(3).) Absent a replacement housing program, these sites are not adequate sites to accommodate lower-income households. The replacement housing

program has the same requirements as set forth in Government Code section 65915, subdivision (c)(3). The housing element must be revised to include such analysis and a program, if necessary.

Infrastructure: While the element describes water and sewer infrastructure, it must also demonstrate sufficient existing or planned dry utilities supply capacity, including the availability and access to distribution facilities to accommodate the City's regional housing need for the planning period. (Gov. Code, § 65583.2, subd. (b).)

Environmental Constraints: While the element generally describes a few environmental conditions within the City (Table H-46), it must describe how these conditions relate to identified sites including any known environmental constraints within the City that could impact housing development in the planning period. (Gov. Code, § 65583.2, subd. (b).) Specifically, the City should analyze the appropriateness and additional costs of producing housing in Very High Fire Hazard Severity zones and areas prone to earthquakes and other geological hazards, and whether these additional constitute a constraint on the City's ability to meet their RHNA.

Accessory Dwelling Units (ADUs): The element projects 240 ADUs over the planning period or approximately 30 ADUs per year over the eight-year planning period. The element also notes permitting 5 ADUs in 2018, 19 in 2019 and 24 in 2020. These trends are inconsistent with HCD records (nothing reported in 2018, 14 in 2019 and 41 in 2020) and do not support an assumption of 18 ADUs per year. To support assumptions for ADUs in the planning period, the element should reduce the number of ADUs assumed per year and reconcile trends with HCD records, including additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate. Further, programs should commit to additional incentives and strategies, frequent monitoring (every other year) and specific commitment to adopt alternative measures such as rezoning or amending the element within a specific time (e.g., 6 months) if ADU assumptions for the number of units and affordability are not met.

Zoning for a Variety of Housing Types:

- *Accessory Dwelling Units:* After a cursory review of the City's ordinance, HCD discovered a few areas in which were not consistent with State ADU Law. HCD will provide a complete listing of ADU non-compliance issues under a separate cover. As a result, the element should add a program to update the City's ADU ordinance in order to comply with state law. For more information, please consult HCD's ADU Guidebook, published in December 2020, which provides detailed information on new state requirements surrounding ADU development.
- *Transitional and Supportive Housing:* The element mentions (p. H-36) transitional housing and supportive housing briefly. However, the section of the element only states the state law. Transitional housing and supportive housing must be permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).) The element must describe and analyze the City's transitional and supportive

housing standards and codes and demonstrate consistency with Government Code section 65583, subdivision (a)(5) or add or revise programs which comply with the statutory requirements.

- *Emergency Shelters*: The element should describe the development standards of the zone that allows emergency shelters without a conditional use permit or other discretionary action and should also describe the characteristics and suitability of the zone(s) for emergency shelters which may include proximity to transportation and services, hazardous conditions, and any conditions in appropriate for human habitability. In addition, the element should describe how emergency shelter parking requirements are in line with AB139/Government Code section 65583, subdivision (a)(4)(A) or include a program to comply with this requirement.
- *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>.

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: While the element describes most land use controls; the element must 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. The analysis should specifically address parking requirements for multifamily development, particularly smaller bedroom types for impacts on cost, supply, housing choice and affordability and include programs to address identified constraints. For example, the City should analyze whether it is a constraint to require a two-car garage per unit for multifamily projects (studio, one-, and two-bedroom units), including infill projects and add a program as appropriate. In addition, parking for residential care must be the same as other residential uses in the same zone.

In addition, the element must include development standards for all zones that are included in the sites inventory. Currently, there are sites identified in the element with “Citrus Transp.” And “Old Town” as zoning designations, but those zoning designations are not included in the analysis of building and development standards. The element must also clarify whether standalone residential is allowed in mixed-use zones or if it must be paired with commercial development.

Local Processing and Permitting Procedures: While the element provides a description (pg. 42-43) of permits required for housing developments, it must describe and analyze the permitting process, identify what is reviewed, typical findings and approval procedures by zone and housing type. The analysis must evaluate the processing and permit procedures' impacts as potential constraints on housing supply and affordability (including a conditional use permit and design review). For example, the analysis should consider processing and approval procedures and time for typical single family and multifamily developments, including type of permit, level of review, approval findings and any discretionary approval procedures.

Specifically, based on the permitted uses in zones allowing residential uses in Table H-12, it appears that multifamily housing is not allowed as a permitted use without a administrative use permit (AUP) or conditional use permit (CUP) anywhere in the City. If this is not true, Table H-12 should be modified to ensure that it accurately reflects permitted residential uses throughout the City. In addition, the element must analyze the AUP process and the requirement that all projects larger than 15 units apply for a CUP, which requires a public hearing as a constraint on housing supply and affordability. The analysis should identify findings of approval for the use permits and their potential impact on development approval certainty, timing, and cost. The City should add a program to revise this process to remove or mitigate.

Design Review: The element must describe and analyze the design review process, including approval procedures and decision-making criteria, for their impact as potential constraints on housing supply and affordability. For example, the analysis could describe required findings and discuss whether objective standards and guidelines improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint or it must include a program to address this permitting requirement, as appropriate.

Fees: While the element includes Table H-9 describing some planning and development impact fees, the element must describe all required fees for single family and multifamily housing development, including but not limited to impact fees, general plan amendments, variances, zoning changes, design review, specific plans, and analyze their impact as potential constraints on housing supply and affordability. In addition, the analysis could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing.

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.

Other Local Ordinances: The element must analyze any locally adopted ordinances that directly impacts the cost and supply or residential development (e.g., inclusionary requirements, short term rentals, growth controls).

Streamlining Provisions: The element should clarify whether the City has procedures consistent with streamlining procedures pursuant to Government Code section 65913.4 and include programs as appropriate.

Definition of a Family: The element defines a family on page H-36. The current definition is a constraint, and the element must include a program to revise the definition to remove the characteristic of having to “chosen to jointly occupy the entire premises of the dwelling unit, under a single written lease”. Requiring a single written lease can be a constraint to shared housing and other types of living arrangements for persons with disabilities.

Housing for Persons with Disabilities: The element excludes group homes for seven or more persons from some residential zones and subjects the use to a conditional use permit, unlike other similar uses. 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 and include programs as appropriate. The element must include a program to review and revise procedural requirements to permit group homes for seven or more persons in all zones allowing residential uses based on objective criteria to facilitate approval certainty by a specified date. In addition, residential care facilities for six or fewer residents must be allowed in all zones that allow residential uses, not only residential zones.

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

Availability of Financing: The element includes some general discussion of land prices, construction costs and availability of financing, but availability of financing should include financing for residents in addition to financing for developers.

Developed Densities and Permit Times: The element must include analysis of requests to develop housing at densities below those anticipated, and the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality's share of the regional housing need.

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 Housing Needs: While the element includes the number of large families and female headed households, it must also analyze their special housing needs. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (availability senior housing units, number of large units, number of deed restricted units, etc.), an assessment of any

gaps in resources, and proposed policies, programs, and funding to help address those gaps. In addition, the analysis should quantify the number of farmworkers in the City (USDA agricultural census) and must also provide an analysis of housing needs for farmworkers.

8. *Analyze existing assisted housing developments that are eligible to change to non- low-income housing uses during the next ten 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 identifies properties at-risk of conversion to market-rate during the planning period (p. H-21 & 22). While the element includes some of the required analysis, it is lacking required information. For example, the element must provide information on how it determined the risk of units converting to market-rate. It should include outreach to owners of the affordable properties to determine interest in renewing the affordable covenants. The element should also identify specific funding sources that could be used to preserve the affordability. The element must also identify qualified entities that would be able to acquire and manage the affordable properties at risk of converting to market-rate. It should also clarify whether sites that have “perpetual” dates of affordable covenant expiration are at risk of conversion in this planning period, and if so, these properties must be included in the at-risk analysis.

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 through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and address the goals of the housing element, all programs must be revised with discrete timelines (i.e., month and year), specific commitment, and descriptions on how the program will be implemented. For example, programs to be revised with specific timelines include, but are not limited to Programs 6 (Specific Plans), Program 9 (Water Priority System), Program 10 (Neighborhood Improvements), Program 13 (Housing Incentives), Program 14 (Mobile Home Rent Stabilization), Program 15 (Housing at Risk of Conversion), and Program 17 (Administrative Capacity). Programs to be revised with specific commitment include but are not limited to:

- Program 1 (Code Enforcement): The program should be revised to reference a referral system to Program 2 (HOME Improvement) for lower-income households in need of funds for home repair work.
- Program 2 (HOME Improvement): The program should be revised to include what

methods and how often proactive outreach will occur to inform residents about its services.

- Program 3 (Emergency Repairs for Homeowners): The program should also be revised to include what methods and how often proactive outreach will occur to inform residents of the City about this program.
- Program 4 (Rental Acquisition and Rehabilitation): This program should commit to proactively reaching out to property owners and tenants eligible for the program.
- Program 13 (Housing Incentives): This program should clarify if the City's density bonus ordinance is up to date with recent changes in State law. If the City's density bonus ordinance needs to be updated, the program should be revised and include a specific date as to when the update will occur. In addition, the program should outline the requirements and process of the "lot consolidation efforts" it mentions. This program should commit to proactive outreach, as well as listing explicit incentives given to encourage potential developers to take advantage of them.
- Program 17 (Administrative Capacity): This program requires a more detailed plan of implementation, along with a more specific timeframe for when this program is going to be carried out.

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 B4, 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:

The element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA. While the element includes Program 5 (Adequate Sites to Accommodate Regional Housing Needs), it must specifically commit to acreage, allowable densities, and anticipated units. In addition, if necessary, to accommodate the housing needs of lower-income households, the program should specifically commit to rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i). Specifically, the Program must commit to:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval;
- accommodate a minimum of 16 units per site;

- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all the very low and low-income housing need, if those sites:
 - allow 100 percent residential use, and
 - require residential use occupy 50 percent of the total floor area of a mixed-use project.

Also noted in Finding B4, Program 16 (Homelessness Services and Facilities) should be revised to amend the zoning code to allow transitional and supportive housing to be permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).)

Finally, As noted in Finding B4, the element must add or modify programs based on the outcomes of a complete analysis to address the suitability of small sites towards the RHNA for lower-income households.

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 extremely low-income 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 extremely low-income households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers.

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 Finding B5 and B6, the element requires a complete analysis of potential governmental and non-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.

In addition, the City must add a program to ensure that group homes serving both six or fewer and seven or more persons are not unduly constrained and to ensure zoning permits group homes objectively with approval certainty, as mentioned in Finding B4. Additionally, Program 18 (Housing for People with Disabilities) should be revised to include *all* special needs groups and include a specific timeline as to when the reasonable accommodation process zoning code update will be completed. Since this program is a carryover program from the past cycle, the zoning code update should be completed within the first year of the planning period.

5. *Promote Affirmatively Furthering 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 B1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. While the element include Program 19 (Fair Housing Program) Goals and actions must create meaningful impact to overcome contributing factors to fair housing issues and actions must have specific metrics and milestones. In addition, the program should be updated to commit to implementing all community development and housing programs in a manner that AFFH pursuant to Government Code section 8899.50.

In addition, currently the element only addresses AFFH in Program 19. The element could revise other program actions to address the City's obligation to AFFH including how programs address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. The programs should also include metrics and milestones for evaluating progress on programs, actions, and fair housing results.

6. *Develop a plan that incentivizes and promotes the creation of ADUs that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, "accessory dwelling units (ADUs)" has the same meaning as "accessory dwelling unit" as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)*

Program 8 (Accessory Dwelling Units) must be expanded to include incentives to promote the creation and affordability of ADUs. Examples include exploring and pursuing funding, modifying development standards, and reducing fees beyond state law, increasing awareness, and homeowner/applicant assistance tools. In addition, given the City's assumptions for ADUs exceed recent trends, the element should include a program to monitor permitted ADUs and affordability every other year and take appropriate action such as adjusting assumptions or rezoning within a specified time period (e.g., 6 months).

7. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)*

Program 15 (Housing at Risk of Conversion): This program should commit to proactive outreach to affected owners and entities qualified to purchase and manage such sites. It should also incorporate the requirements of State preservation notice law (Government Code section 65863.10, 65863.11, and 65863.13) to inform the property owners of their responsibilities to tenants beginning three years before the property's potential conversion to market-rate.

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 on pg. H-64. However, it should be noted that the number of preservation units should be based on the number of affordable units expected to be preserved in the planning period, not the total count of affordable units in the City. This will need to be corrected so that the number of preserved units is reflected accurately.

E. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(8).)

While the element includes a general summary of the public participation process, it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. The element should be revised to discuss outreach to lower-income and special needs groups during the public participation efforts, and participation in community workshops, and if translation services were provided. In addition, the element should also summarize the public comments and describe how they were considered and incorporated into the element. Further, the element should describe additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. The City must also confirm that the element was available for public comment prior to submitting the draft to HCD for review. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.