

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

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January 11, 2022

Tom Cole, Director  
Community Development Department  
City of Santa Clarita  
23920 W. Valencia Blvd. Suite 302  
Santa Clarita, CA 91355

Dear Tom Cole:

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

Thank you for submitting the City of Santa Clarita's (City) draft housing element received for review on November 12, 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 January 7, 2022 with consultants Jane Riley, Elliot Pickett, and Jackie Criger. In addition, HCD considered comments from Cindy Russo, Herb Johnston, Malissa Cindrich, and John Zirkel pursuant to Government Code section 65585, subdivision (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 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 the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law,

and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: [http://opr.ca.gov/docs/OPR\\_Appendix\\_C\\_final.pdf](http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf) and [http://opr.ca.gov/docs/Final\\_6.26.15.pdf](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 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 Reid Miller, of our staff, at [Reid.Miller@hcd.ca.gov](mailto:Reid.Miller@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 SANTA CLARITA

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).)*

A thorough program-by-program review is necessary to evaluate City's performance in addressing housing goals. While the element generally describes the results of the prior element's programs, the element must also provide an explanation 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). Programs should be revised as appropriate to reflect the results of this evaluation. The element should also be revised as follows:

Program H 1.1 (Affordable Housing Density Bonus): The analysis should explain why the program was not advertised, and how the new program will provide adequate advertising to make it more successful in the current housing element.

Program H 1.5 (Inclusionary Housing Program- Mixed Income Housing): Analysis of this program should include an explanation of why this program was deemed infeasible, as well as why the updated iteration of the program will be more successful.

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).)*

Enforcement & Outreach: The element generally describes past outreach efforts and fair housing services with the Housing Rights Center (HRC). However, largely, the element does not address this requirement. For example, the element describes outreach from 2019 but provides no information on the results of that outreach and how it relates to affirmatively furthering fair housing (AFFH). Also, the element contains little information on fair housing enforcement nor local knowledge from the fair housing service provider. Enforcement should include data and evaluation (e.g., characteristics of complaints) of any past or current fair housing lawsuits, findings, settlements, judgements, and complaints as well as compliance with fair housing laws and a description of ongoing outreach. The analysis could also evaluate data and the results from any fair housing testing.

Integration and Segregation: The element provided some data on integration and segregation across racial groups, familial status, disabilities, and income, but the element must discuss and analyze this data for trends over time and patterns across areas such as census tracts. Additionally, it must evaluate patterns at a regional basis, comparing the City to the region.

Areas of Concentrated Poverty and Affluence: While the element included data on Racially and Ethnically Concentrated Areas of Poverty (R/ECAP), it must provide an analysis and tie the analysis to the concentrations of poverty in the segregation and integration section. In addition, while the element included a map of Racially Concentrated Areas of Affluence, it must also analyze it. The combination of the R/ECAP and areas of affluence analyses will help guide goals and actions to address fair housing issues. The analysis should evaluate the patterns and changes over time at a local (e.g., neighborhood to neighborhood) and regional level (e.g., city to region).

Disparities in Access to Opportunity: While the element does provide data on disparities in access to opportunity for residents of Santa Clarita, it should provide analysis on access to transit throughout different areas of the City, as well as an analysis of access to transit by protected group. This same methodology should be employed to access to economic opportunity throughout the City. Access to economic opportunity analysis should also include information on job proximity and employment trends in relation to other factors such as patterns of segregation and poverty. In addition, the education analysis should include a map to support the analysis. The environmental analysis should address place-based strategies for Newhall and Canyon Country.

Disproportionate Housing Needs including Displacement Risks: The element includes some local and county data on cost burdened households (overpayment) and

overcrowding (pp. 3-52 to 3-57). However, the element must evaluate trends and patterns within the City for these subtopics. The element must also provide a local and regional analysis for substandard housing and homelessness. In addition, the element briefly mentions displacement but must still provide data, analysis and conclusions, including analysis of displacement risk relating to disinvestment and disasters.

Site Inventory: The element must include an analysis demonstrating whether sites identified to meet the RHNA are distributed throughout the community in a manner that affirmatively furthers fair housing. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that effects 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 mitigate this (e.g., anti-displacement strategies).

Local Data and Knowledge, and Other Relevant Factors: The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Also, the element must include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element can analyze historical land use and investment practices or other information and demographic trends.

Contributing Factors to Fair Housing Issues: While the element identifies contributing factors to fair housing issues, it should prioritize these factors to better formulate policies and programs and carry out meaningful actions to AFFH. The element should link contributing factors to specific programs where possible. In addition, many of the strategies “consider” actions but do not provide implementation components to mitigate the fair housing issues identified in the analysis.

Goals, Actions, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. 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, 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. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)*

Extremely Low-Income (ELI) Households: The element includes some basic information regarding ELI households such as the methodology of calculating the number of projected ELI households for the 6<sup>th</sup> cycle RHNA. However, the element should also clearly state the projected number of ELI households. Additionally, given the unique and disproportionate needs of ELI households, the element must include analysis to better formulate policies and programs.

Housing Costs: While the element includes information on sales prices, the element must also include average rental cost information. Please note that the American Community Survey does not fully reflect current market conditions and the element should include additional data sources.

Overpayment: While the element identifies the total number of households overpaying for housing, it must also quantify and analyze the number of households overpaying by tenure (i.e., renter and owner), including lower-income households.

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).)*

Housing Conditions: The element identifies the age of the housing stock (p. 53 & 54). 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.

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 10,031 housing units, of which 5,131 are for lower-income households. To address this need, the element relies on vacant and nonvacant sites, including sites in Specific Plan Areas and within Mixed-Use areas. 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 June 30, 2021. The element indicates (p. 57) 9,135 planned, approved pending units toward the RHNA, but it must indicate where each project is in the development process. It 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.

Sites Inventory: The element must include the general plan designation for all sites listed in the sites inventory. In addition, the element should include a map of the sites.

Realistic Capacity: The element (p. 58) mentions an assumption of 75 percent of maximum allowable densities to calculate residential capacity on identified sites and includes a few examples of recent developments. However, the element should include supporting information on typical densities of existing or approved residential developments at a similar affordability level for all affordability levels. For example, the element could clearly list other recent projects, the zone, acreage, built density, allowable density, level of affordability and presence of exceptions such as a density bonus. The realistic capacity analysis should provide examples to support development assumptions for all income levels and must also clarify whether the assumptions are for both vacant and nonvacant sites. 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.

In addition, the element appears to assume residential development on sites with zoning that allow 100 percent nonresidential uses. The element must account for the likelihood of nonresidential uses. For example, the element could analyze all development activity in these nonresidential zones, how often residential development occurs and adjust residential capacity calculation, policies and program accordingly. The element should include analysis based on factors such as development trends, performance standards or other relevant factors.

Suitability of Nonvacant Sites: The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites. The description of existing uses should be sufficiently detailed to facilitate an analysis demonstrating the potential for additional development in the planning period. In addition, the element needs to analyze the extent that existing uses may impede additional residential development. The element can summarize past experiences converting existing uses to higher density residential development, include current market demand for the existing use, provide analysis of existing leases or contracts that would perpetuate the existing use or prevent additional residential development and include current information on development trends and market conditions in the City and relate those trends to the sites identified. The element could also consider indicators such as age and condition of the existing structure expressed developer interest, low improvement to land value ratio, and other factors.

Small and Large Sites: Sites larger than ten acres in size or smaller than a half-acre in size is deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites are suitable to accommodate housing for lower-income households. The element must provide specific examples of sites with similar densities and affordability and should relate

these examples to the sites identified to accommodate the RHNA for lower-income households to demonstrate that these sites can adequately accommodate the City's lower-income housing need. Based on a complete analysis, the City should consider adding or revising programs to include incentives for facilitating development on small sites.

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.

Sites Identified in Multiple Planning Periods: The element must include a program for vacant sites identified in two of more consecutive planning periods' housing elements or nonvacant sites identified in a prior housing element, that are currently identified to accommodate housing for lower income households. The program must be implemented within the first three years of the planning period and commit to zone for the following:

- sites must meet the density requirements for housing for lower income households, and
- allow by-right approval for housing developments that include 20 percent or more of its units affordable to lower income households. (Gov. Code, § 65583.2, subd. (c).)

Accessory Dwelling Units (ADU): The element projects 400 ADUs over the planning period or approximately 50 ADUs per year over the eight-year planning period. Given that the City has only produced an average of 28 units per year since 2018, it is not clear if this production level will be achievable in the planning period. As a result, the element should be updated to include a realistic estimate of the potential for ADUs and include policies and programs that incentivize the production of ADUs. Depending on the analysis, the element must commit to monitor ADU production throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. In addition to monitoring production, this program should also monitor affordability. Additional actions, if necessary, should be taken in a timely manner (e.g., within six months). Finally, if necessary, the degree of additional actions should be in stride with the degree of the gap in production and affordability. For example, if actual production and affordability of ADUs is far from anticipated trends, then rezoning or something similar would be an appropriate action.



If actual production and affordability is near anticipated trends, then measures like outreach and marketing might be more appropriate.

Availability of Infrastructure: The element includes some discussion on water and sewer providers in the City. However, it must also clarify whether sufficient total water, sewer, and dry utility capacity (existing and planned) can accommodate the regional housing need for each income category and include programs if necessary. In addition, the element must clarify when the two new sewer facilities will be available and whether the water reclamation plants (p. 109) are needed to accommodate wastewater to meet RHNA over the planning period.

Environmental Constraints: While the element generally describes a few environmental conditions within the City (p. 64), it must relate those conditions to identified sites and describe any other known environmental or other constraints that could impact housing development on identified sites in the planning period.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element should describe the development standards of the P/I zone that allows emergency shelters by-right and must also describe the characteristics and suitability of the zone. 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 as necessary.
- *Transitional and Supportive Housing:* The element includes some information on transitional housing (p. 70 & 97), but the City only allows the use in residential zoning districts. 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 add or revise programs to comply with the statutory requirements.
- *Permanent Supportive Housing:* Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.
- *Low Barrier Navigation Centers:* Low Barrier Navigation Centers shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65660. The element must demonstrate compliance with this requirement and include programs as appropriate.
- *Employee Housing:* 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. The element should add programs as appropriate.

- **Manufactured Housing:** Table 21 (p. 95) must clarify that manufactured housing is allowed as a single-family residence if on a permanent foundation. If the zoning does not comply, a program should be added.
- **Accessory Dwelling Units (ADUs):** After a cursory review of the City's ordinance, the department discovered several areas which were not consistent with State ADU law. This includes, but is not limited to, not allowing ADUs by right in all residential zones, and side and rear setback requirements. The Department 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.

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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7).*

**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 analyze land use controls independently and cumulatively with other land use controls. The element must specifically include requirements related to heights, setbacks, lot coverage, unit sizes and limits on allowable densities. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints. In addition, the element discusses parking requirements including enclosed spaces, two spaces for one-bedroom units for multifamily development, high guest parking requirements, and specific parking standards for residential care services. These parking requirements must be analyzed as a constraint and addressed with a program.

**Fees and Exaction:** The element should clarify if all fees are the same for single and multifamily developments, and whether multifamily fees listed are per unit. In addition, the element must list fees for subdivisions, specific plans, and environmental review. The element should describe typical total fees for single-family and multifamily development as a percent of the total cost of the development. Lastly, the element identifies impact fees as a constraint and therefore must add a program to mitigate it.

Local Processing and Permit Procedures: While the element includes information about processing times, it should also describe the procedures for a typical single family and multifamily development. The analysis should address the approval body, the number of public hearing if any, approval findings and any other relevant information. The analysis should address impacts on housing cost, supply, timing and approval certainty. The element should also address whether permits and other requirements can be processed concurrently, whether processing times are the same for single and multifamily developments, as well as address the long length of time to process reasonable accommodation and conditional use permits. Additionally, while the element provides a description (p. 104) of the Conditional use permit (CUP) required for housing developments, it must describe and analyze the CUP process, including 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. Lastly, the element should describe the process and findings for a development review permit.

Design Review: The element must describe and analyze the design review guidelines and 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.

On/Off-Site Improvements: The element must identify subdivision level improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width) and analyze their impact as potential constraints on housing supply and affordability.

Constraints on 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 also requires a development review permit, not an administrative permit for group homes with six or fewer persons. The element must include a program to revise the requirements for group homes. Additionally, the element briefly describes its reasonable accommodation procedures, but it should also describe the process and decision-making criteria such as approval findings and analyze any potential constraints on housing for persons with disabilities. The element should also provide a clear definition of "family". Lastly, the element must clarify whether specific plans allow for residential care facilities as well as transitional and supportive 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.

Local Ordinances: The element must specifically analyze locally adopted ordinances such as short-term rental ordinances that directly impact the cost and supply of residential development. The analysis should demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters.

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

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. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

Land Costs: The element describes the median home value but must list the cost of land zoned for single and multifamily developments.

Approval Time and Requests Lesser Densities: The element must be revised to 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. The analysis should also include efforts by the City to address identified nongovernmental constraints.

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).)*

While the element quantifies (Appendix A) the City's special needs populations, 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.

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

The element must provide an analysis of opportunities for energy conservation in residential development. For example, the element could describe the “green Santa Clarita” program and could include incentives the City offers to encourage green building practices, or policies the City implements to encourage higher density developments and compact infill development, or passive solar design.

9. *Analyze existing assisted housing developments that are eligible to change to nonlow-income housing uses during the next 10 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 must clarify when the use restriction for Orchard Arms expires. If the restriction ends within the next 10 years, the element must include an at-risk analysis (Gov. Code, § 65583, subd. (a)(9)).

### **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 address the program requirements of Gov. Code section 65583, subd. (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City’s specific role in implementation; (2) definitive implementation timelines (i.e. month and year); (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

Program HP-1.4 (Affordable Housing Density Bonus): Program should clarify if the existing density bonus ordinance will be updated and/or implemented by 2023. If not, the program should include a timeline of when the ordinance will be updated. The portion of the program that will be “considered” should also be modified to include a more discrete implementation component.

Program HP-1.5 (Mixed Use Overlay Zone): If the program is continuing from the past element, the element should describe what will be implemented by 2024. It should also specify whether the listed incentives are currently in place, or if they are yet to be

implemented. If they are not currently in place, the program should include a timeline as to when they will be available.

Program HP-1.6 (Graduated Density Zoning and Site Consolidation—Old Town Newhall): Program should be revised to provide a clear timeline as to what will be accomplished by 2024. Specifically, this program should clarify whether the offered incentives are only applicable if the whole block develops, and how likely this is.

Program HP-1.7 (Inclusionary Housing Program- Mixed Income Housing): The program should be revised to include implementation element, not just “consider”, as well as what incentives are being considered, and what will be accomplished by 2024.

Program HP-1.8 (Affordable Sites Incentive Program): The program should clarify if the City already offers the incentives described in the program, whether the approval of incentives is discretionary and include an implementation date for the incentives.

Program HP-1.12 (First Time Homebuyer Programs and Developers): This program should describe the implementation goal of the program, and whether any proactive outreach has or will be included as a part of this implementation.

Program HP-2.1 (Funding Priority to Extremely Low-income Affordable Housing): This program should describe how projects be prioritized, which programs are included, and also describe how often programs will be reviewed or added as a part of this program.

Program HP-2.3 (Collaboration with Non-Profit Affordable Housing Developers): This program should clarify when the RFP will be made available, as well as how often it will occur. The program should also include a proactive outreach component.

Program HP-2.4 (Flexible Development Standards): This program should clarify whether the incentives included in the program are currently in place, and if not, it should give a date as to when such incentives will be available. The program should include a specific timeline for implementation and a proactive outreach component.

Program HP-2.5 (Fee Reductions or Deferrals for Affordable and Special Needs Housing): This program should describe what determines eligibility and whether the eligibility determination is discretionary. The program should also strengthen the implementation language beyond “consider” being that fees were identified as a constraint. A specific timeframe for implementation should also be included.

Program HP-2.6 (Expedited Processing for Affordable Housing Projects): The program should be modified to include outreach to developers as well as how often.

Program HP-3.2 (Handyworker Program): The program should be modified to explain if there will be proactive outreach to residents, clarify if the program will occur annually, and include a specific timeframe for implementation.

Program HP-3.3 (Property Rehabilitation Program): The program should be modified to provide proactive outreach to residents as well as often outreach will be conducted.

Program HP-3.6 (Workforce Housing Program): This program should include proactive outreach, a description of how often properties will be considered for the program, and specific implementation timing.

Program HP-4.2 (Monitoring of Codes and Ordinances to Remove Barriers): The program should be revised to include an implementation component and should discuss if codes and ordinances be revised, and how often they will be monitored.

Program HP-4.3 (Homeless Case Management): The program timeframe should be revised to state how often the City will apply for financial assistance.

Program HP-4.10 (Proactive Community Preservation): The program should describe how repairs and maintenance are funded, quantify how many houses will be assisted by the program (e.g. is it only available in listed neighborhoods?), as well as specify how often program activities will occur.

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.

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).)*

While the element includes programs to assist in the development of very low-, low-, and moderate-income households, it must also include a program(s) to assist in the development of housing for all special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households). Program actions could include proactive outreach and assistance to non-profit service providers and developers, prioritizing some funding for housing developments affordable to special

needs households and offering financial incentives or regulatory concessions to encourage a variety of housing types.

4. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Findings B5 and B6, 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, the following programs must be revised:

Program HP-4.4 (Housing for Persons with Disabilities): The program should describe how the City will encourage development and whether the offered incentives are already in place. It should also describe any proactive outreach plans for developers, and how often funding for the program will be sought.

Program HP-4.7 (Administrative Process for Reasonable Accommodations): This program should be modified to eliminate fees for applicants in the reasonable accommodation process.

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 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 analysis of AFFH. The element must be revised to add goals and actions based on the outcomes of a complete analysis. 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, 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. Currently the element addresses AFFH in Program HP-4.12. while this program includes some action items, many are vague and include actions that will only be considered. Program HP-4.12 must also include implementation components, timeframes, responsible parties, as well as metrics and milestones. In addition, Program 5A should also describe how all the City's housing programs comply with and further the requirements and goals of Government Code



section 8899.50, subdivision (b). Lastly, Program HP-4.6 (Fair Housing Programs) should describe how often training and outreach be provided.

6. *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 HP-3.5 (Preservation of At-Risk Housing) should include proactive outreach to owners at least three years before expiration of affordability to inform owners of state preservation notice law requirements (Gov. Code Sections 65863.10, 65863.11, 65863.13). It should also assist in outreach to qualified entities with potential interest to try and maintain affordability levels and clarify how often funding will be monitored.

7. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units 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” 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).)*

Programs 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, pre-approved plans 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., six months).

#### **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).)*

Quantified objectives should take into account the impact of all programs on the estimated number of housing units to be constructed. Additionally, the element must include the number of ELI units for new construction in the quantified objectives analysis.

#### **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 City made effort to include the public through workshops and surveys, moving forward, the City should employ additional methods for public outreach efforts to include all economic segments of the community, particularly lower-income and special needs households and neighborhoods with higher concentrations of lower-income and special needs households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income and special needs households in future public outreach efforts. In addition, the element must clarify when the draft was made available to the public. If the City did not make the draft available to the public prior to submitting to HCD, the City has not yet complied with statutory mandates to make a diligent effort to encourage the public participation in the development of the element and it reduces HCD's ability to consider public comments in the course of its review. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including making revisions to the document where appropriate. HCD's future review will consider the extent to which the revised element documents how the City solicited, considered, and addressed public comments in the element. The City's consideration of public comments must not be limited by HCD's findings in this review letter.