

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

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August 24, 2021

DiTanyon Johnson, Principal Planner
Planning Department
City of Fontana
8353 Sierra Avenue
Fontana, CA 92335

Dear DiTanyon Johnson:

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

Thank you for submitting the City of Fontana's (City) draft housing element received for review on June 25, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on August 19, 2021 with you and consultants Dave Barquist and Molly Mendoza. In addition, HCD considered comments from Nancy Vargas, resident, and Inland Equity Partners 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 revisions needed to comply with State Housing Element Law.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2021 for Southern California Association of Government (SCAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf.

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.

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

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

HCD appreciates the dedication and hard work of the housing element update team 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 Divya Ram, of our staff, at Divya.Ram@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannan West". The signature is fluid and cursive, with the first name "Shannan" and the last name "West" clearly distinguishable.

Shannan West
Land Use & Planning Unit Chief

Enclosure

APPENDIX CITY OF FONTANA

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).)

Special Needs Populations: As part of the evaluation of programs in the past cycle, the element must 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).

Adequate Sites Rezone: To demonstrate adequate sites for the prior planning period, the prior element included Program 1.1 (p. A-1) to rezone sites and accommodate the shortfall of appropriately zoned sites to accommodate the regional housing need for lower-income households. While sites were rezoned pursuant to Program 1.1, the element must also demonstrate the sites comply with the requirements of Government Code section 65583.2, subdivisions (h) and (i). For example, while the element indicates the residential capacity of the rezoned sites, it must also demonstrate the rezoned sites have a site capacity of at least 16 units, permit rental and owner multifamily development without discretionary review at minimum densities of 20 dwelling units per acre, and that at least at least 50 percent of the very low- and low-income housing need shall be accommodated on sites designated for exclusive residential uses or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project.

The element must also demonstrate the sites were rezoned during the prior planning period which ends October 15, 2021. (Gov. Code, §§ 65585 and 65588.) If the element does not demonstrate compliance with the statutory requirements, it must include a program to accommodate the unaccommodated need within the first year of the planning period. For additional information, go to <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

B. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing (AFFH) 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 assessment of fair housing includes limited data for some required areas and much of the assessment is void of analysis. The element must still address:

Enforcement & Outreach: The element generically describes past outreach efforts and fair housing services with Inland Fair Housing and Mediation Board (IFHMB). 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 AFFH. Also, despite the partnership with IFHMB, the element contains no information on fair housing enforcement nor local knowledge from the fair housing service provider. Further, HCD has received comments regarding AFFH. Yet, there appears to be no discussion in the element despite this important input. Enforcement should include data and evaluation (e.g., characteristics of complaints) of any past or current fair housing lawsuits, findings, settlements, judgements, and complaints. The analysis could also evaluate data and the results from any fair housing testing.

Integration and Segregation: The element includes information on dissimilarity; however, it should also consider spatial analysis (neighborhood to neighborhood) of these dissimilarities and consider other data options. In addition, this section must address trends and patterns within the City for disability, familial status, and income.

Racially/Ethnically Concentrated Areas of Poverty and Affluence: The element identifies a racially and ethnically concentrated area of poverty (R/ECAP) but should also analyze the area, such as evaluating trends, conditions and comparisons to other neighborhoods related to equitable quality of life. In addition, the element must address concentrated areas of affluence.

Access to Opportunity: The element includes general information from the 2014 Regional Opportunity Index and overall indicators of access to opportunity from the TCAC/HCD maps but should also, at a neighborhood level, analyze trends and patterns for access to opportunities related to education, economic, transportation, and environmental quality.

Disproportionate Housing Needs including Displacement Risks: The element includes some local and county data on cost burdened households (overpayment) and overcrowding (p. 3-52 to 3-57). However, the element must evaluate trends and patterns within the City for overpayment and overcrowding. In addition, the element briefly and generically mentions displacement but must still provide data, analysis and conclusions.

Local Data and Knowledge, and Other Relevant Factors: The element does not address this requirement. 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: The element mentions fair housing issues and goals and priorities from the City's Analysis of Impediments. However, these issues and goals do not appear to be rooted in any analysis related to Fontana and do not appear adequate to facilitate the formulation of meaningful action to AFFH. The element should re-assess contributing factors upon completion of analysis and make revisions as appropriate.

Sites: The element discusses the proposed number of sites and units relative to patterns of race and income but must also address other components of the assessment of fair housing (e.g., R/ECAP, Access to Opportunity, Disproportionate Housing Need, including Displacement). Also, the analysis should address the number of anticipated units by income group, including candidate sites for rezoning. Finally, the conclusions do not appear associated with the data provided and should be revisited.

Goals, Priorities, Metrics, and Milestones: Goals and actions must create meaningful impact to overcome contributing factors to fair housing issues. Currently, programs are not sufficient to facilitate meaningful change and address AFFH requirements. Based on the outcomes of a complete analysis, the element must be revised to add or modify goals and actions. 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 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.

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 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. 2-36). However, it must 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. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml>.

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

The City has a regional housing needs allocation (RHNA) of 17,519 housing units, of which 8,059 are for lower-income households. To address this need, the element relies on vacant and nonvacant sites, including sites in specific plan areas. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Progress toward the Regional Housing Need: The element may utilize units built, permitted or approved toward the regional housing need since June 30, 2021. To utilize these units, the element must demonstrate, among other things, affordability based on sales price, rents or other mechanisms ensuring affordability (e.g., deed restrictions). The element includes Table B-1 with a summary of the RHNA status, including built units but the table is incomplete. For your information, if utilizing built units, the element must include the appropriate analysis as described above.

Parcel Listing: The element lists parcels by various factors such as size and zoning. However, the listing must also include sites by general plan designation, anticipated affordability and existing use for nonvacant sites. Also, descriptions of existing use must include sufficient detail to facilitate an analysis of the potential for additional development on nonvacant sites. For more information, see the HCD's Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Realistic Capacity: While the element provides assumptions for calculating residential capacity, it must also support 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. The element also must analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow nonresidential uses (e.g., mixed-use, form-based code zones). This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development. For additional information, see the Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Candidate Sites for Rezoning: The element lists candidate sites for rezoning and, as a result, must include analysis of suitability and availability to address all components pursuant to Government Code section 65583.2. For example, the element should

discuss any known constraints to development relative to identified sites and should address availability related to publicly-owned sites, particularly school district sites.

Suitability of Nonvacant Sites: The element must also analyze the extent to which existing uses may impede additional residential development and include an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development (Gov. Code, § 65583.2, subd. (g)(1)). The element mentions this requirement but then provides little information to address the requirement. For example, the element lists a recent project on a vacant site as evidence that nonvacant sites have potential for redevelopment. Also, many listed sites are denoted as vacant but then list existing units. Nonvacant sites appear largely to be occupied by existing residential uses, and in most cases, the zoning and allowable density far exceed the existing use. The element could utilize these circumstances to address this requirement.

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.

Environmental Constraints: While the element generally describes a few environmental conditions within the City (p. 3-35), 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.

Accessory Dwelling Units (ADU): The element assumes 82 ADUs per year for a potential buildout of 656 units within the planning period. According to HCD records, the City has permitted an average of 25 units per year, far less than the 82 units per year assumed in the element. Further, the element provides no other supporting information or sufficient policies and programs to assume such a large increase. As a result, the element should be updated to include a realistic estimate of potential ADU production.

Priority Water and Sewer: Water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) Local governments are required to immediately deliver the housing element to water and sewer service providers. HCD recommends including a cover memo describing the City housing element, including the City and regional housing needs. For additional information and a sample cover memo, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml>.

Electronic Sites Inventory Form: 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. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Sites with Zoning for a Variety of Housing Types:

- *Emergency Shelters*: The element mentions emergency shelters are permitted with an overlay in the M-1 Industrial zone and that the zone covers over 20 percent of the City. The element should also clarify shelters are permitted without discretionary action and discuss available acreage in the overlay zone, including typical parcel sizes and the presence of reuse opportunities. In addition, the analysis should address proximity to transportation and services and any conditions inappropriate for human habitability.
 - *Transitional & Supportive Housing*: Transitional and supportive housing must be permitted as a residential use in all zones and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. Furthermore, the supportive housing must have policies and procedures to accommodate AB 2162 (Chapter 753, Statutes of 2018), and if single room occupants (SRO) are allowed. The element must demonstrate consistency with these statutory requirements and include a program, as appropriate.
 - *Single Room Occupancy (SRO) Units*: The element should analyze whether SRO units are allowed and include programs as appropriate.
 - *Accessory Dwelling Units (ADUs)*: ADUs do not appear to be permitted consistent with State law. For example, ADUs are not permitted in all zones allowing residential uses. The element should demonstrate consistency with state requirements including programs as appropriate.
4. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)*

Land-Use Controls: The element must identify and analyze all relevant land-use controls impacts as potential constraints on a variety of housing types. The analysis should analyze land-use controls independently and cumulatively with other land-use controls. 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. Specifically, the element includes minimum lot sizes for multifamily developments (p. 3-10); however, identified sites (Appendix B) include sites smaller than the minimum lot sizes (e.g., 2 acres). The

element must include a program to mitigate this constraint or remove sites that do not meet minimum lot size requirements. Furthermore, the element should clarify whether FBC zone has minimum lot sizes and any impacts on identified sites.

Local Processing and Permit Procedures: While the element describes some local processing and permit procedures (p. 3-15), it must evaluate the processing and permit procedures' impacts as potential constraints on housing supply, affordability, timing, and approval certainty. For example, the analysis should consider processing and approval procedures for typical single- and multifamily developments, including type of permit, level of review, number of public hearings, approval findings and any other discretionary approval procedures.

In addition, the element should describe the City's SB 35 (Chapter 366, Statutes of 2017) streamlined ministerial approval procedure and application and include programs if appropriate.

Zoning, Development Standards and Fees: The element must clarify its compliance with new transparency requirements for posting all zoning, development standards and fees for each parcel on the jurisdiction's website.

On/Off-Site Improvements: The element generally describes site improvements (p. 3-27); however, the element must identify subdivision level improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width), and analyze impacts as potential constraints on housing supply and affordability.

Codes and Enforcement: The element includes the City's building and zoning code enforcement processes and procedures; however, it must also include any local amendments to the building code, and analyze potential constraints on housing supply, cost and affordability.

Constraints on Housing for Persons with Disabilities: The element must include an analysis of potential constraints on housing for persons with disabilities. Specifically,

- *Reasonable Accommodation:* The element states the City is currently establishing reasonable accommodation (RA) procedures (p. 3-23). The element should be updated to include current status and evaluate the RA procedures, including findings of approval for constraints on housing for persons with disabilities.
 - *Group Homes for Seven or More Persons:* The element excludes group homes for seven or more persons from some residential zones and subjects them to a conditional use permit, unlike other similar uses. The element should specifically analyze these constraints for impacts on housing supply and choices, approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.
5. *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).)

Approval Time and Requests for Lesser Densities: The element must include analysis of requests to develop housing at densities below those identified, the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially. The element must address any hinderance on the development of housing and include programs as appropriate.

6. *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).)*

Elderly by Tenure: To better formulate policies and programs, the element should evaluate the number of elderly households by tenure (i.e. renters and owners).

Farmworkers: While the element discusses permanent and seasonal farmworkers for Riverside County, it should instead analyze the permanent and seasonal farmworkers for San Bernardino County and include programs as appropriate.

7. *Analyze existing assisted housing developments that are eligible to change to non-low-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).)*

At-Risk Units: The element did not address this requirement. The element must clarify whether the City has any at-risk units. If units are identified at-risk within a 10-year period, the analysis of "at-risk" units must include the following (Gov. Code, § 65583, subd. (a)(9).):

- Listing of each development by project name and address
- Type of governmental assistance received
- Earliest date of change from low-income use
- Total number of elderly and non-elderly units
- Analysis of the total cost for producing, replacing, and preserving the units at-risk
- Identification of public and private non-profit corporations known to the City to have the legal and managerial capacity to acquire and manage at-risk units
- Identification and consideration of use of federal, state and local financing and subsidy programs.

C. Housing Programs

1. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to*

accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)

As noted in Finding B3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. In addition,

- **Shortfall of Sites:** The element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA. While the element includes Programs 1B and 1C, the programs must specifically commit to rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i).
 - **Sites Identified in Multiple Planning Periods:** The element must include a program for vacant sites identified in two or 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 appropriate densities to accommodate 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.
 - **Replacement Housing Requirements:** As noted in Finding B3, if utilizing sites with existing residential uses, the housing element must include a program to provide replacement housing. The replacement housing program must adhere to the same requirements as set forth in Government Code section 65915, subdivision (c)(3).
2. *The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)*

The element does not address this requirement. The element must include a program(s) to assist in the development of housing for lower-income 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. In addition:

- **Extremely Low-income Households:** The element must include specific actions to assist in development of extremely low-income households. Examples of actions are described above.

- *Special Needs Households*: Virtually all programs targeted toward special needs households are administered by the City. In addition, the element should include specific action undertaken by the City to address the housing needs of special needs households.
 - *Program 1J (Housing for Persons with Developmental Disabilities)*: The program should commit to actions beyond identifying housing needs and removing barriers. These actions are already addressed through other housing element requirements. Instead, the program should commit to annually or bi-annually discuss and pursue housing development opportunities with the Inland Regional Center and non-profit housing developers, advocates and service providers.
3. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding B4 and B5, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

4. *Promote AFFH 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. Based on the outcomes of that analysis, the element must add or modify programs.

5. *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).)*

As noted in Finding B7, the element must include a complete analysis of units at-risk of converting to market rate uses. Based on the outcomes of that analysis, the element must add or modify programs.

6. *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).)

Program 1K (Accessory Dwelling Unit Construction) commits to promote awareness of ADUs and explore and assess incentives. In addition, the program should commit to establish incentives by a specified date and consider additional actions, if necessary. Also, Program 1L generally only commits to track applications and “evaluate the need” for programs if ADUs are not permitted as assumed. If utilizing ADUs toward the RHNA, the program should specifically commit to track the production and affordability of ADUs every other year and specifically commit to appropriate actions (e.g., rezone) within a specified time if assumptions are not realized.

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 includes quantified objectives for new construction for all income groups. However, these objectives are incomplete for rehabilitation and conservation and are currently marked “TBD”. Future versions of the housing element must have quantified objectives for rehabilitation and conservation by income group.

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, particularly including 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, HCD received comments with many meaningful suggestions related to program timing (Policy Action 1O), program commitment (Policy Action 4K) and other issues related to zoning and AFFH. HCD encourages the City to consider these comments. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.