

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

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January 21, 2022

Jared Chavez, Senior Planner
Community Development Department
City of Lawndale
14717 Burin Avenue
Lawndale, CA 90260

Dear Jared Chavez:

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

Thank you for submitting the City of Lawndale' draft housing element received for review on November 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.

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).

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 of the City's housing element 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 Sohab Mehmood, of our staff, at Sohab.Mehmood@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 LAWNSDALE

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).)

While the element lists the past programs and includes a discussion of appropriateness of programs in the sixth cycle, it generally does not address this requirement. For example, in most cases, progress in implementation should still be reported and effectiveness of programs should be evaluated. This is particularly important for Programs 10 (Residential Development on Vacant and Underutilized Sites), 13 (Lot Consolidation), 14 (Zoning Ordinance Monitoring) and 16 (Permit Processing), as well as the significant lack of progress toward the lower-income and moderate-income regional housing needs allocation (RHNA) in the past planning period. Based on the outcomes of this evaluation, programs should be revised as appropriate.

In addition, the element must provide a cumulative evaluation of the effectiveness of past 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).)*

Outreach: Outreach specifically related to affirmatively furthering fair housing (AFFH) is foundational to a complete analysis and formulating appropriate goals and actions to

overcome patterns of segregation and foster more inclusive communities. The City should summarize and relate its and other's outreach efforts to all components of the AFFH analysis and modify or add goals and actions as appropriate. For example, the element mentions outreach methods and some comments related to the overall housing element and generally describes the County-wide Analysis of Impediments to Fair Housing Choice (AI) which has considerable outreach. However, a summary of that outreach should be tailored to the various components of the assessment of fair housing to better formulate appropriate programmatic response.

Enforcement: The element mentions local capacity for fair housing education and outreach, but it should also evaluate trends and characteristics related to fair housing complaints and address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints. Based on the outcomes of this evaluation, the element should summarize issues, identify contributing factors and formulate meaningful goals and actions.

Disproportionate Housing Needs, including Displacement: The element includes some analysis related to cost burdened households; however, it should also address disproportionate housing needs related to overcrowding, housing conditions and persons experiencing homelessness. This analysis should address patterns and trends within the City (neighborhood to neighborhood) and a regional level (City compared to region). In addition, the element mentions displacement, including a brief remark that displacement might occur in the future but it should include analysis to better formulate appropriate response. For example, the City could consider data from the Urban Displacement Project at <https://www.urbandisplacement.org/maps/los-angeles-gentrification-and-displacement/>.

Sites Inventory: While the element includes some general discussion and conclusions of sites and AFFH, a full analysis should address location, the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity) and any isolation of the RHNA by income group.

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 includes some general information on lending, lack of conditions, covenants and restrictions and past atrocities related to Japanese farmers, but it must also include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element should analyze historical land use, zoning (e.g., lack of multifamily zoning), governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

Contributing Factors to Fair Housing Issues: The element should re-assess and prioritize contributing factors upon completion of analysis and make revisions as appropriate.

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, as appropriate based on the outcomes of the analysis, housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community 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 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 identifies the projected need for ELI households and a brief conclusion that ELI households will face various housing difficulties, but it should quantify and analyze the housing needs of ELI households to better understand the needs and formulate an appropriate programmatic response. This is particularly important given the unique and disproportionate needs of ELI households. For example, the element should analyze tenure, cost burden and other household characteristics then examine trends and the availability of resources, including effectiveness of past actions, to determine the magnitude of gaps in housing needs. In turn, this analysis should guide the formulation of responsive policies and programs.

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).)*

Parcel Listing: In addition to the other factors listed for identified sites (e.g., parcel number, size, general plan), the element must also identify sites by zone and sufficiently describe existing uses of nonvacant sites to facilitate an analysis of the potential for redevelopment in the planning period.

Realistic Capacity: The element generally does not address this requirement. The element must include a methodology for calculating residential capacity on identified sites. The methodology must account for land use controls and site improvements and 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 indicates a housing overlay will be applied to nonresidential sites to accommodate residential development. However, the element must account for the likelihood of nonresidential uses in this proposed zone, including an analysis based on indicators such as development trends, performance standards or other relevant factors. For example, the element could commit to residential performance standards in the mixed-use overlay. Depending on the results of a complete analysis, the element may need to adjust residential capacity calculations, policies, and programs accordingly.

Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need, it must include a methodology that demonstrates the potential for additional development in the planning period. The methodology must consider factors including the extent to which existing uses may constitute an impediment to additional residential development, the City's past experience with converting existing uses to higher density residential development, the current market demand for the existing use, 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, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

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 existing uses are not an impediment to additional residential development and will likely discontinue in the planning period (Gov. Code, § 65583.2, subd. (g)(2)). Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Finally, if the element identifies sites with existing residential uses. Absent a replacement housing policy, these sites are not adequate sites to accommodate lower-income households. The replacement housing policy has the same requirements as set forth in Government Code section 65915, subdivision (c), paragraph (3).

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 includes a relevant policy (p. 3), but it generally does not address this requirement. The element should clarify which sites were identified in prior planning periods and include a program, as described below, if utilizing previously identified sites in the current planning period.

Infrastructure: While the element generally describes water and sewer infrastructure, it must clarify sufficient existing or planned capacity to accommodate the RHNA or include programs if necessary.

Environmental Constraints: The element describes some environmental conditions within the City, but it should also 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.

City-Owned Sites: If utilizing City-Owned sites, the element should include a discussion of suitability and availability of these sites for development. For example, the analysis should address whether existing uses impede additional development, any known conditions that preclude development in the planning period, the potential schedule for development and necessary actions to facilitate development (e.g., consolidation) as intended in the sites inventory. In addition, the housing element must include a description of whether there are any plans to dispose of the properties during the planning period and how the jurisdiction will comply with the Surplus Land Act (commencing with Government Code section 54220) and add or modify programs as appropriate. Based on the outcomes of this discussion, the element should include programs as appropriate.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types (Emergency Shelters): The element indicates emergency shelters are permitted by right in the M-1 zone. However, the element should include analysis of capacity and development standards. The element should discuss total acreage, typical parcel sizes and any reuse or other opportunities that could accommodate at least one emergency shelter and sufficient to accommodate the need for emergency shelters. In addition, the element should identify and analyze development standards for any potential constraints on emergency shelters.

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 address impacts on housing supply (e.g., number of units), costs, timing and ability to achieve maximum densities. The analysis should address parking, including the number of spaces and enclosure requirements, heights, and minimum lot sizes particularly for zones allowing multifamily uses. Based on the outcomes of a complete analysis, the element should include programs to address or remove the identified constraints.

Processing and Permit Procedures: The element mentions most development is subject to a design review by the Planning Commission, but it should evaluate this procedure for impacts as a potential constraint on housing supply, cost, timing and approval certainty. For example, the analysis should address the typical number of hearings and approval findings.

Fees and Exactions: The element lists some entitlement fees, but it should describe and evaluate all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. For example, the analysis should identify the total amount of fees, including impact fees and their proportion to the development costs for both a typical single family and multifamily housing development.

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. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

Housing for Persons with Disabilities:

- *Reasonable Accommodation*: The element mentions the City has established a reasonable accommodation procedure but should also describe and analyze that procedure, including approval findings. For example, the element lists several findings (p. 59) such as "...impact on surrounding land use, or a public nuisance..." but should analyze how these findings impact a request for reasonable accommodation.
 - *Family Definition*: The element should identify any definition of family utilized in zoning and land use and analyze that definition for impacts on housing for persons with disabilities.
 - *Community Care Facilities*: While the element identifies how community care facilities serving six or fewer persons are permitted, it must describe and analyze how community care facilities serving seven or more persons are approved including any approval findings or lack of zones allowing these housing types. The element should analyze the process and zones for potential constraints on housing for persons with disabilities and add or modify programs as appropriate to ensure zoning permits group homes for seven or more persons objectively with approval certainty.
5. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including... ..the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Government Code section 65584... (Gov. Code, § 65583, subd. (a)(6).)*

Timing of Approval: The element must analyze the length of time between receiving approval for housing development and submittal of application for building permits. The analysis should address any hinderances on the construction of the RHNA.

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).)*

Persons with Developmental Disabilities: The element states that quantification available from the Department of Development Services (DDS) is by zip code which is larger than the City boundaries. As a result, the City utilizes federal level proportions to estimate the needs of persons with disabilities. However, the element should also describe describes the characteristics of those needs and may utilize information from DDS.

Farmworkers: The element indicates 36 farmworkers according to the American Community Survey (ACS) 2014-2018 5-year estimate. However, the ACS likely undercounts the needs of farmworkers, especially seasonal farmworkers. Further, farmworkers from the broader area and those employed seasonally may have housing needs, including within the City's boundaries. As a result, the element should acknowledge the housing needs of permanent and seasonal farmworkers at a county-level (e.g., using USDA county-level farmworker data) 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).)*

The element lists one project at-risk of converting to market rate uses in the planning period but it must still include analysis, as follows:

- Total number of elderly and nonelderly units.
- Estimated total cost for producing, replacing and preserving the units at-risk.
- Identification of public and private nonprofit 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.

For additional information and sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/assisted-housing-developments.shtml> and for more information on identifying units at-risk, see the California Housing Partnership Corporation at <http://www.chpc.net>.

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, the element should be revised as follows:

Shortfall of Sites to Accommodate the RHNA: The element acknowledges that the zoning is not currently in place to accommodate the RHNA and includes Program 9 (Housing Sites) to establish the appropriate zoning. However, in addition to complying with requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i), the program should clarify multifamily uses will be permitted without discretionary action, identify the minimum acreage and allowable densities and ensure development standards will encourage achieving maximum allowable densities.

Sites Identified in Prior Planning Periods: If utilizing nonvacant sites identified in the prior planning period, the element must include a program. The program must be implemented within the first three years of the planning period and commit to zoning that will 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.

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 includes Programs 6 (Affordable and Special Needs Housing Development) and 8 (Homeownership). However, these Programs should include specific commitment and discrete timelines. This is particularly important given the lack of implementation and results in the prior planning period. Specifically, these Programs should at least include proactive outreach with developers of affordable housing, including special needs, to identify and pursue development opportunities on a specified timeline (e.g., annually).

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

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

4. *The Housing Element shall include programs to conserve and improve the condition of the existing affordable housing stock. (Gov. Code, § 65583, subd. (c)(4).)*

The element includes Programs 1 (Residential Rehabilitation) and 2 (Housing Choice Vouchers) but these Programs should include specific commitment and discrete timelines. This is particularly important given the lack of implementation and results in the prior planning period. Specifically, Program 1 should go beyond reporting on available funding and pursue funding and partnerships with developers and service providers on a specified timeline (e.g., annually). Program 3 (Housing Choice Vouchers) should commit to measures to more proactively promote and expand the Program, including discrete timing (e.g., at least annually).

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. Based on the outcomes of that analysis, the element must add or modify programs.

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).)

While the element includes quantified objectives for new construction, rehabilitation and conservation by income group, it could consider quantified objectives for rehabilitation and conservation (beyond at-risk preservation). For your information, the quantified objectives do not represent a ceiling, but rather set a target goal for the City to achieve, based on needs, resources, and constraints.

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)(9).)

While the element includes a general summary of the public participation, 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 efforts to lower-income and special needs groups during the public participation efforts. For example, the element could describe the efforts to circulate the housing element among low- and moderate-income households and organizations that represent them and to involve such groups and persons in the element. If necessary, the City should employ additional methods, moving forward, to engage all segments of the community. In addition, the element mentions a survey but could discuss how that survey was targeted to all segments of the community and describe the results of that survey. In addition, the element should describe how comments were considered and incorporated into the element.

In addition, HCD understands the City made the element available to the public on November 29, 2021, after submittal to HCD. By not providing an opportunity for the public to review and comment on a draft of the element in advance of submission, 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.

F. Consistency with General Plan

The Housing Element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)

The element must describe how the housing element is internally consistent with the rest of the general, including any information to demonstrate what was conducted to achieve internal consistency as part of this update. The element must also include more specific discussion on how internal consistency will be maintained throughout the planning period. For additional information and a sample program, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/analysis-consistency-general-plan.shtml>.