DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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October 18, 2021

Michael Garcia, Director Community and Economic Development Division City of Pico Rivera 6615 Passons Boulevard Pico Rivera. CA 90660

Dear Michael Garcia:

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

Thank you for submitting the City of Pico Rivera's (City) draft housing element received for review on August 19, 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 our conversation on October 15, 2021 that also included Julia Gonzalez, Deputy Director and your consultants, Nick Chen and Ines Galmiche.

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.

The City's statutory deadline to adopt a housing element was October 15, 2021. For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of this statutory deadline, then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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

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 the housing element update team provided during the review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact me at Paul.McDougall@hcd.ca.gov.

Sincerely,

Paul McDougall

Senior Program Manager

Enclosure

APPENDIX CITY OF PICO RIVERA

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at http://www.hcd.ca.gov/community-development/building-blocks/index.shtml and includes the Government Code addressing State Housing Element Law and other resources.

A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

General: The element must include a program-by-program review including a comparison of prior objectives versus actual results, evaluation of effectiveness of past actions and how programs will be revised as appropriate to reflect the past program efforts. In many cases, the element does not address these requirements. For example, Program 3 (p. A-3) was intended to preserve assisted units at-risk of converting to market rate uses. In reporting accomplishments, the element describes the age of the housing stock but there is no information on whether units were preserved in the prior planning period. Additional programs to report relevant accomplishments and evaluate effectiveness include Programs 5 (Developer Consultation), 6 (Partnerships for Affordable Housing), 9 (Community Based Transitional Housing), 12 (Development of Housing for Large Households), 16 (Lot Consolidation) and 18 (Density Bonus). Programs should be revised as appropriate depending on the outcomes of a complete evaluation of prior programs. For additional information and sample analysis, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/getting-started/review-revise.shtml.

<u>Housing for Special Needs</u>: In addition, as part of the review 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, the prior element included Program 15 (Provision of Adequate Sites) (p. A-14) 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 15, 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 sites permit rental and owner multifamily development without discretionary review.

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).)

Enforcement & Outreach: The element must describe capacity to provide enforcement and outreach which can consist of actions such as the ability to investigate complaints, obtain remedies, or engage in fair housing testing. The element currently describes services provided by the Housing Rights Center but should also describe the number and characteristics of housing discrimination complaints. The analysis could also evaluate data and the results from any fair housing testing. In addition, the analysis must address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints. Finally, while the element includes a general description of input received as part of the recent analysis of impediments, it could provide additional detail to specifically supplement the assessment of fair housing.

Integration and Segregation: The element includes information on dissimilarity by race/ethnicity; however, it should also consider spatial analysis (neighborhood to neighborhood) of these dissimilarities and consider other data options such as those available through the HCD AFFH Data Viewer. In addition, this section must address trends and patterns within the City for disability, familial status, and income.

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 it should also, at a neighborhood and regional level, analyze patterns and trends for access to opportunities related to education, economic, transportation, and environmental quality.

<u>Disproportionate Housing Needs, Including Displacement</u>: The element includes some City-wide data on overcrowded households and other factors, but it must still address all components of disproportionate housing needs including cost burden, overcrowding, housing conditions, persons experiencing homelessness and displacement risk. The analysis must include data and mapping, evaluating spatial patterns and trends and conclude with a summary of fair housing issues.

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: The element must list and prioritize contributing factors to fair housing issues. While the element includes a header titled contributing factors and a summary of a few housing issues, it does not identify and prioritize contributing factors. The element should reassess contributing factors upon completion of analysis and make revisions as appropriate. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices. The analysis shall result in strategic approaches to inform and connect goals and actions to mitigate contributing factors to affordable housing.

<u>Sites</u>: The element discusses the proposed number of sites and units relative to patterns of race and income but must also address the other components of the assessment of fair housing (e.g., Access to Opportunity, Disproportionate Housing Need, including Displacement). In addition, the element must analyze the magnitude of the impact on existing patterns of socio-economic characteristics, whether sites are isolated and evaluate whether sites exacerbate or improve segregation and integration at a neighborhood level

Goals, Priorities, Metrics, and Milestones: Based on the outcomes of a complete analysis, the element must be revised to add or modify goals and actions. Goals and actions must create meaningful impact to overcome contributing factors to fair housing issues. 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 Affirmatively Furthering Fair Housing 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. 2-32). 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).)

<u>Parcel Listing</u>: The element lists parcels by various factors such as size and zoning. However, the listing must also include sites by general plan designation. Also, descriptions of existing use must include sufficient detail to facilitate an analysis of the potential for addition development on nonvacant sites.

Realistic Capacity: While the element provides assumptions for calculating residential capacity, it must also support these assumptions. The element lists a few recent examples, but it should list additional examples and information such as acreage, zone, built and allowable density and affordability. In addition, the element must analyze the likelihood that identified sites will be developed with residential uses. For mixed-use zone overlay sites meeting or proposed to meet by right requirements pursuant to Government Code section 65583.2, subdivision (h), the element should simply clarify established or proposed residential performance standards. For mixed-use zoned sites that allow 100 percent residential uses, the element should discuss how often 100 percent nonresidential uses occur on these sites and account for that likelihood in the calculation of capacity. Finally, the element uses a 35 percent factor to calculate residential development on sites with commercial uses. This factor is intended to account for only part of a site redeveloping with housing. The element should utilize recent examples to support this conservative assumption. For example, the element lists recent redevelopment examples and could discuss allowable and built residential coverage and density.

Suitability of Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need for lower-income households, the description provided regarding potential for redevelopment is inadequate. The element must describe the methodology used to determine the additional development potential within the planning period. The methodology shall consider factors including the extent to which existing uses may constitute an impediment to additional residential development, the City's or County'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. (Gov. Code, § 65583.2, subd. (g).) For example, many sites are only noted with large parking lots but should include additional factors considered in determining the potential for redevelopment and should include specific analysis of recent trends to support these factors. For additional information and sample analysis, see the Building Blocks at: http://www.hcd.ca.gov/communitydevelopment/building-blocks/site-inventory-analysis/analysis-of-sites-andzoning.shtml#analysis.

In addition, the housing element relies upon nonvacant sites to accommodate more than 50 percent of the Regional Housing Needs Allocation (RHNA) for lower-income households. For your information, 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.

Accessory Dwelling Units (ADUs): The element assumes 50 ADUs per year for a potential buildout of 400 units within the planning period. This assumption is based on recent approvals; however, assumptions should be based on permitted units. According to HCD records, the City has permitted an average of 20 units per year, far less than the 50 units assumed in the element. To support assumptions for ADUs in the planning period, the element should reconsider assumptions if appropriate, reconcile trends with HCD records, include additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate.

<u>Environmental Constraints</u>: While the element generally describes a few environmental conditions within the City (p. 3-24), it must relate those conditions to identified sites and describe any other known environmental or other conditions that impact housing development on identified sites in the planning period.

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 indicates emergency shelters are only conditionally allowed (p. 3-12) then later presents the uses are permitted without discretionary action (p. A-11). Based on our conversation, the City permits emergency shelters without discretionary action and as a result, the element should be revised to be internally consistent and in compliance with this statutory requirement. In addition, the element describes over 9 acres available and 13 vacant or underutilized properties but, given the little amount of acreage identified, it should include additional discussion to demonstrate the potential for reuse. For example, the element should detail a representative sample of the 13 sites, including parcel size, existing uses and potential for reuse in the planning period. In addition, the element should describe hazardous conditions, and any conditions inappropriate for human habitability. Finally, the element should identify and evaluate development standards, including parking requirements for compliance with AB 139 (Chapter 335, Statutes of 2019) or include a program 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 should analyze and address height and parking requirements for multifamily dwellings as a constraint on housing. Should the analysis determine land use controls are a constraint on residential development, it must include a program to address or remove any identified constraints. For additional information, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/constraints/land-use-controls.shtml.

Local Processing and Permit Procedures: While the element describes some local processing and permit procedures, 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 family and multifamily developments, including type of permit, level of review, number of public hearings, approval findings and any other discretionary approval procedures. This analysis must also specifically address the conditional use permit (CUP) requirement for multifamily uses in multifamily zones. For your information, a multifamily CUP or exception procedure for zones intended for multifamily use is generally considered a constraint and must be addressed. The element should include a program, as appropriate.

Finally, while the element includes a detailed description of SB 35, it should also describe whether the City has a procedure to implement the SB 35 (Chapter 366, Statutes of 2017) streamlined ministerial approval procedure and application and include programs if appropriate.

<u>Fees and Other Exactions</u>: The element should include an analysis of the cumulative impact of all fees (e.g., planning and impact fees) on a typical single family and multifamily development. The analysis could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing.

Zoning, Development Standards and Fees: The element must clarify its compliance with new transparency requirements for posting all zoning, development standards and fees on the City's website or include a program as appropriate.

<u>On/Off-Site Improvements</u>: The element generally describes site improvements (p. 3-19); however, the element must identify subdivision level improvement requirements, such as minimum street widths, and analyze impacts as potential constraints on housing supply, cost, and affordability.

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

<u>Constraints on Housing for Persons with Disabilities</u>: The element must analyze potential constraints on housing for persons with disabilities. Specifically,

- Reasonable Accommodation: The element identifies approval findings (p. 3-17) for granting a reasonable accommodation including finding related to impacts on surrounding uses essentially a conditional use permit (CUP) finding. However, reasonable accommodation should be a unique exception process from a CUP, especially given its importance in addressing barriers to housing for persons with disabilities. The element should include a program to amend the reasonable accommodation ordinance and remove constraints, namely the "...impact surrounding properties" approval finding.
- Definition of Family: The element must describe any zoning code definitions of family and analyze as a potential constraint on housing for persons with disabilities.
- Group Homes for Seven or More Persons: The element subjects group homes
 for seven or more persons to a conditional use permit CUP, 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 and the length of time between receiving approval for a housing development and submittal of an application for building permits. 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).)

The element includes some general quantification; however, it should include analysis of households with special housing needs. The analysis should address factors such as trends, household income, tenure, housing types, zoning, and available resources. Additionally, the element should address the total number of persons with disabilities, number of persons with developmental disabilities, including correcting estimates in Program 3A (Persons with Physical and Developmental Disabilities) and quantify and analyze elderly households by tenure. For additional information and a sample analysis, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/large-families-female-head-household.shtml.

C. <u>Housing Programs</u>

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:

- Program 4A (Rezoning of Sites): The element describes a shortfall of sites and
 indicates rezoning will occur to accommodate the RHNA. While the element
 includes Program 4A (Rezoning of Sites), it must specifically commit to acreage,
 anticipated units and shortfall of sites and commit to meeting all requirements
 pursuant to Government Code section 65583.2, subdivisions (h) and (i).
- Program 3B (Emergency Shelters, Transitional and Supportive Housing and Low Barrier Navigation Centers): Program 3B should include specific commitment to amend zoning to permit permanent supportive housing by-right pursuant to Government Code section 65651 and revise parking requirement for emergency shelters as noted in Finding B3.
- 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 must include a program(s) with specific actions and timelines to assist in the development of housing for lower-income households, including extremely low-income and special needs households. The program(s) could revise Program 2D (Federal and State

Funding) to commit the City to adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to extremely low-income households; proactive outreach and assistance to non-profit service providers and developers; prioritizing some funding for housing developments with extremely low-income and special needs households; assisting, supporting or pursuing funding applications; and annual outreach with housing developers to coordinate and pursue housing opportunities. In addition, Program 2A (Developer Consultation) should be revised with a discrete timeline (e.g., at least annually) and Program 5B (Density Bonus) should be revised with specific commitment to amend the City's density bonus ordinance by a specified time early in the planning period as noted on page 3-15.

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. Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. (Gov. Code, § 65583, subd. (c)(4).)
 - As noted in Finding B2, the element must include a complete analysis of housing conditions. Based on the outcomes of that analysis, the element may need to add or modify programs to conserve and improve the condition of the existing housing stock.
- 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 to have clear timelines and quantifiable outcomes or metrics, and to enhance housing mobility strategies, encourage development of new affordable housing in high resource areas, improve place-based strategies to revitalize neighborhoods, and protect residents from displacement.
- 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 1C (Monitor and Preserve Affordable Housing) must specifically commit to comply with state preservation notice law requirements such as outreach to owners. (Gov. Code, § 65863.10, 65863.11, and 65863.13.) and outreach, education and support for existing tenants.

7. Develop a plan that incentivizes and promotes the creation of ADUs that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, "accessory dwelling units" 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 4B (Promotion of ADUs) should commit to establish incentives by a specified date and consider additional actions, if necessary and Program 4C (Create ADU Monitoring Program) should commit to monitor ADU production and affordability at least every other year.

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 and conservation for all income groups, but it must also add quantified objectives for rehabilitation 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, a survey and outreach with property owners, 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, the element should summarize public comments and describe how public comments were considered and incorporated into the housing element. For additional information, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml.