

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

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October 4, 2023

Grant Leonard, Planning Manager
Community Development Department
City of Salinas
65 West Alisal Street, Floor 2
Salinas, CA 93901

Dear Grant Leonard:

RE: City of Salinas' 6th Cycle (2023-2031) Draft Housing Element

Thank you for submitting the City of Salinas' (City) draft housing element received for review on July 7, 2023, along with revisions received on September 27, 2023. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Kalisha Webster, Michael DeLapa, and David Kellogg pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:

1. *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).)*

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... Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including... emergency shelters...(Gov. Code, § 65583, subd. (c)(1).)

Progress in Meeting the Regional Housing Need Allocation (RHNA): While the element clarifies how the affordability of pipeline units was determined, it must also demonstrate their availability within the planning period. To demonstrate the availability of units, the element could analyze infrastructure schedules, past completion rates on pipeline projects, and/or outreach with project developers.

The element should also describe any expiration dates on entitlements, whether project phasing will be necessary, build out horizons relative to the eight-year planning period, any remaining steps for pipeline projects to receive final entitlements, and any known barriers to development in the planning period.

Realistic Capacity: The element provides an assumption of 70 percent of maximum allowable densities or minimum densities to calculate residential capacity on identified sites; however, the element should also include supporting information on typical densities of existing or approved residential developments at similar affordability levels. For example, the element could list recent projects, the zone, acreage, built density, allowable density, level of affordability, and presence of exceptions (such as a density bonus).

In addition, the element should analyze the likelihood of residential development in zones that allow 100 percent nonresidential uses and account for that likelihood in the calculation of residential capacity. For example, the element could describe all (residential and nonresidential) recent development in the nonresidential zones being utilized toward the RHNA, address how often 100 percent nonresidential development occurs, and account for that likelihood in the residential capacity assumptions.

Small Sites: The element identifies several sites at less than a half-acre in Appendix B (Sites Inventory). These sites are not eligible absent a demonstration that sites of equivalent size and affordability were successfully developed during the prior planning period or unless other evidence is provided. For example, the element could evaluate the circumstances potentially leading to consolidation such as existing shared access, necessity for consolidation to share access, necessity for consolidation to promote financial feasibility, meet development standards, or facilitate site planning. Based on the outcomes of this analysis, the element should add or modify actions to encourage lot consolidation.

Programs: As noted above, 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 6 (General Plan, Zoning Code, and Approval Process Updates)*: The Program should commit to meet all requirements pursuant to AB 2330, including amending the definition of emergency shelter, clarifying emergency shelters will be permitted without discretionary action, maintaining sufficient capacity to accommodate the need for emergency shelters, including

proximity to services, and ensuring development standards will facilitate development.

- *Program 4 (Accessory Dwelling Units)*: The Program should commit to frequent monitoring (every other year) and provide specific commitment to adopt alternative measures such as rezoning or amending the element within a specific time (e.g., six months), if needed. In addition, the Program should include timing for outreach (e.g., at least annually).
 - *Program 1 (Adequate Sites)*: While the Program maintains a non-discretionary process and appropriate densities, it should also commit to 20 percent affordability for lower-income households.
 - *Publicly Owned Lands*: The element should include a program to comply with surplus land act requirements, if applicable, target numerical objectives consistent with the inventory, and commit to a schedule of actions to facilitate development, including alternative actions (e.g., rezoning), if development does not proceed as anticipated.
2. *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... (Gov. Code, § 65583, subd. (a)(5).)*

Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing... (Gov. Code, § 65583, subd. (c)(3).)

Land Use Controls: While the element lists some development standards such as minimum lot sizes and setbacks, it should list and analyze all development standards by zoning district, including lot coverages, heights limits, and floor area ratios (FAR). In addition, the element should analyze minimum lot sizes for mobile home parks. The analysis should address impacts on supply (number of units), costs, feasibility, and particularly the ability to achieve maximum densities. Based on the outcomes of this analysis, the element should add or modify programs to address identified constraints on housing.

Constraints on Housing for Persons with Disabilities: The element subjects group homes for seven or more persons to a conditional use permit, unlike other similar uses. The element should specifically analyze this constraint and parking requirements for impacts on housing for persons with disabilities and add or modify programs to promote objectivity and approval certainty similar to other residential uses of the same type in the same zone.

Programs: As noted above, the element requires a complete analysis of potential governmental and non-governmental constraints. Depending upon the results of

that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints. In addition, the element should be revised as follows:

- *Program 7 (Reduce Housing Production Constraints)*: In addition to reviewing planning and development fees, the Program should commit to revise and reduce fees to ensure no constraints on housing.
 - *Program 15 (Housing First Programs)*: The Program should include discrete timing for review and evaluation actions (e.g., estimated completion dates).
 - *Program 6 (General Plan, Zoning Code and Approval Process)*: In addition to implementing place type designations, the Program should specifically commit to establish or modify development standards and ensure to not constrain housing, including facilitating achieving maximum densities.
3. *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... (Gov. Code, § 65583, subd. (c)(5).)*

While the element includes many potentially significant and meaningful actions to affirmatively further fair housing (AFFH), it should consider additional actions to address displacement risk and place-based strategies toward community revitalization, including addressing disparities in access to environmental quality. For example, the element acknowledges a disparity in environmental quality across the City by various factors (i.e., air pollution, hazardous wastes, substandard housing quality). The element must be revised to add or modify goals and actions to overcome identified patterns and trends. Programs from other General Plan elements or other plans could be considered as part of the housing element goals and actions (e.g., environmental justice element, etc.). In addition, actions should be revised, as follows:

- *Program 8 (Housing Rehabilitation)*: The Program should consider increasing the numeric target for the planning period.
- *Program 11 (Code Enforcement)*: The Program should consider a numeric target for the planning period (e.g., number of households contacted).
- *Program 17 (Farmworker Housing)*: The Program should consider at least annual implementation of the Regional Farmworker Housing Study and Action Plan and increasing numerical targets for the planning period. Further, the Program should consider actions to address existing housing conditions for farmworkers.
- *Program 24 (At-Risk Affordable Housing Preservation)*: The Program should target preserving all units that are highly at-risk of conversion to market rate rents (778 units) and commit to complying with all noticing

requirements pursuant to Government Code section 65863.10 (e.g., 3 years, 12 months, and 6 months). Further, the objective of 778 units should be reflected in quantified objectives (Table 66).

- *Program 25 (Investment in Disadvantaged Neighborhoods)*: The Program should consider at least annual implementation of the Vibrancy and Revitalization Plans, including at least annually applying for funding and increasing numeric targets for the planning period.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and adopted to substantially comply with the above requirements pursuant to Government Code section 65585.

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 (December 15, 2023), then any rezoning to make prior identified sites available or accommodate the RHNA shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until these rezones are completed.

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. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

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 Affordable Housing and Sustainable Communities program, 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: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the dedication from yourself, Jonathan Moore, and Lisa Brinton during the course of the housing element update and 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 Anthony Errichetto, of our staff, at Anthony.Errichetto@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