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

2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



July 13, 2021

Brent Meyer, Director Department of Community Development City of Woodland 300 First Street Woodland, CA 95695

Dear Brent Meyer:

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

Thank you for submitting the City of Woodland's (City) draft housing element received for review on May 14, 2021, along with revisions received 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 July 2, 2021 with Cindy Norris and consultants Kathryn Slama and David Bergman. In addition, HCD considered comments from Legal Services of Northern California pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6th cycle housing element was due May 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.

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 May 15, 2021 for Sacramento Area Council of Governments (SACOG) 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: <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375">http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375</a> final100413.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.

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 <a href="https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element">https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element</a> for a copy of the form and instructions. The City can reach out to HCD at <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a> 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 <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a>.

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: <a href="http://opr.ca.gov/docs/OPR">http://opr.ca.gov/docs/OPR</a> Appendix C final.pdf and <a href="http://opr.ca.gov/docs/Final\_6.26.15.pdf">http://opr.ca.gov/docs/Final\_6.26.15.pdf</a>.

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

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 Hillary Prasad, of our staff, at <a href="https://example.com/hillary.prasad@hcd.ca.gov">https://example.com/hillary.prasad@hcd.ca.gov</a>.

Sincerely,

Shannan West

Land Use & Planning Unit Chief

**Enclosure** 

# APPENDIX CITY OF WOODLAND

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 <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml">http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml</a>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <a href="http://www.hcd.ca.gov/community-development/building-blocks/index.shtml">http://www.hcd.ca.gov/community-development/building-blocks/index.shtml</a> 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).)

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).

## B. <u>Housing Needs, Resources, and Constraints</u>

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))

While the revised element does include an analysis of fair housing that provided some information on the required components, revisions are still necessary to address all affirmatively furthering fair housing (AFFH) requirements. The element, among other things, must include a complete analysis of outreach and enforcement, an assessment of fair housing, identification and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity. As HCD received the City's AFFH analysis late in its review period and the analysis was not made available to the public for comment, HCD was unable to fully review the City's AFFH analysis. HCD will provide additional resources and data under separate cover. For more information, please see HCD's guidance at <a href="https://www.hcd.ca.gov/community-development/affh/index.shtml">https://www.hcd.ca.gov/community-development/affh/index.shtml</a>.

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).)

The housing element must include a description and analysis of current housing stock characteristics. While the element lists the average rent in the City, the element should include the average cost of a home for sale in the City and analyze the affordability of for-sale home prices.

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 need allocation (RHNA) of 3,087 housing units, of which 1,062 are for lower-income households. To address this need, the element relies on vacant sites, entitled and proposed developments, and annexed areas. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

<u>Progress in Meeting the RHNA</u>: The element indicates (page C-3) that 421 units affordable to moderate and above-moderate households have been built or are under construction or approved, but provides no information documenting how affordability of the units was determined. As you know, the City's RHNA may be reduced by the number of new units built since June 30, 2021; however, the element must describe the City's methodology for assigning these units to the various income groups based on actual sales price or rent level of the units and demonstrate their availability in the planning period.

<u>Sites Inventory</u>: The element must include the general plan designation for each site listed in the sites inventory.

Realistic Capacity: The element must include an estimate of the number of units that can be accommodated on each site in the inventory. The estimate may rely on established minimum density standards or include analysis demonstrating how the number of units for each site was determined. (Gov. Code, § 65583.2, subd. (c).) The estimate of the number of units for each site must account for land use controls and site improvement requirements and could reflect recently built densities. The element must add support for the assumption of 80 percent development of the maximum capacity with an expanded project listing by zone, built density, and affordability levels.

The element must account for the likelihood of residential development in zones allowing 100 percent nonresidential uses. The element relies upon nonresidential zoned sites (e.g., mixed-use zones) to accommodate the entire RHNA for lower-income households. To support this estimate, the element must include analysis of residential development on nonresidential zoned sites. For example, the analysis could include examples of recent development of sites with 80 percent residential on parcels zoned for mixed-use in the City. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning</a>.

Small Sites: Sites smaller than a half acre in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower-income housing units as projected for the site or unless the housing element describes other evidence to HCD that the site is adequate to accommodate lower income housing (Gov. Code, § 65583.2, subd. (c)(2)(A)). Even if they were consolidated, parcels 005-060-303-000, 005-060-037-000, and 005-060-039-000 would not be of sufficient size to accommodate housing affordable to lower-income households; therefore, HCD did not consider these sites toward accommodating any portion of the Regional Housing Needs Allocation (RHNA) for lower-income households. Woodland should not consider them adequate, available or additional sites pursuant to Government Code section 65863 (No-Net Loss Law).

Annexation of Specific Plan Areas to Accommodate RHNA: To determine the adequacy of the annexation strategy for the Woodland Research and Technology Park Specific Plan to meet the City RHNA by income category, the element must include a program committing to completing the annexation and specific plans early within the planning period. In addition, the element must also include an evaluation of the suitability of the annexed sites and any discretionary approvals required for development in the Specific Plan areas, including the following information:

- actions to pre-zone prior to annexation;
- descriptions of the zone, density, development standards and design requirements;
- the anticipated housing capacity allowed;
- timeline to complete annexation and the Specific Plan and Annexation which is early enough in the planning period to facilitate development of annexed sites (e.g., within the first three years of the planning period);
- the realistic capacity during the planning period. For example, the element
  identifies the expected unit build out in the first 10 years of the project, but the
  element must also describe the expected build out within the planning period
  taking into account when the sites are expected to be available for development.
  In addition, the element should include an analysis of the likelihood of residential
  development in the high density/community commercial overlay;
- availability of infrastructure;
- demonstrated compliance with the requirements of the adequate sites program requirements of Government Code section 65583.2, subdivisions (h) and (i).

<u>Suitability and Availability of Infrastructure</u>: While the element discusses water and sewer infrastructure, it must demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities to accommodate the City regional housing need for the planning period. (Gov. Code, § 65583.2, subd. (b).) For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental">http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental</a>.

<u>Water/Sewer Priority</u>: For your information, 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/County's housing element, including the City/County's housing needs and regional housing need. For additional information and sample cover memo, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml">http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml</a>.

# Sites with Zoning for a Variety of Housing Types:

The housing element must provide for a variety of housing types. Many uses are excluded from the Specific Plan areas including, but not limited to, transitional and supportive housing and accessory dwelling units. The element must add a program to revise the zoning code to allow the uses in the Specific Plan Areas. In addition, the element must address the following:

- Emergency Shelters: The element must demonstrate the capacity and proximity to services of the sites in Zones C and E of the East Street Corridor Plan, where allowed by-right, to accommodate the need for emergency shelters. The element must also address the parking requirements in Government Code section 65583, subdivision (a)(4)(A). The element should include a program to revise the emergency shelter requirements as needed.
- Transitional and Supportive Housing: The element must address whether or not requirements for AB 2162, Permanent Supportive Housing By-Right, and AB 101, Low Barrier Navigation Centers, are currently met, or add a program as needed.
- Single Room Occupancy (SRO) Units: The element must address whether or not SROs are allowed, and in what zones.
- *Manufactured Housing*: The element must describe whether or not manufactured housing on a permanent foundation is allowed.
- Accessory Dwelling Units (ADUs): The element states ADUs are not permitted in several residential and mixed-use zones. The element must include a program to revise the ADU ordinance to comply with State Law.
- 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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

(Gov. Code, § 65583, subd. (a)(5).)

Local Processing and Permit Procedures: The element must describe and analyze the City's design review and site plan process, including approval procedures and decision-making criteria. The analysis must include their impacts as potential constraints on housing supply and affordability. For example, the analysis could describe required findings and discuss whether objective standards and guidelines improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint, or it must include a program to address this permitting requirement, as appropriate.

On/Off-Site Improvements: The element must identify subdivision level improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width), and analyze their impacts as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml">http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml</a>.

<u>Current Density Bonus</u>: The City's current density bonus ordinance should be reviewed for compliance with current State Density Bonus Law. (Gov. Code, § 65915.) A copy of the current law is available on HCD's website at <a href="http://leginfo.legislature.ca.gov/faces/codes\_displaySection.xhtml?sectionNum=65915.">http://leginfo.legislature.ca.gov/faces/codes\_displaySection.xhtml?sectionNum=65915.</a> <a href="http://leginfo.legislature.ca.gov/faces/codes\_displaySection.xhtml?sectionNum=65915.">http://leginfo.legislature.ca.gov/faces/codes\_displaySection.xhtml?sectionNum=65915.</a> <a href="http://www.hcd.ca.gov/community-development/building-blocks/program-requirements/assist-in-development-housing.shtml">http://www.hcd.ca.gov/community-development/building-blocks/program-requirements/assist-in-development-housing.shtml</a>.

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

Constraints on Housing for Persons with Disabilities: While the element briefly describes its reasonable accommodation procedures, it should further describe and analyze its reasonable accommodation criteria and process including approval findings. In particular, the element must analyze the surrounding uses finding and the conditional use permit (CUP) process as constraints and include programs to remove or mitigate these constraints. In addition, the element must identify and analyze the constraints of excluding all group homes, for six or fewer residents as well as for seven or more residents, from many residential zones and the CUP requirements, including typical conditions of approval. This constraint must be addressed through a program.

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

The element must address the length of time between project approval and the request for a building permit. The element also must address whether or not the City receives and approves requests to develop at densities below the density that is identified in the sites inventory.

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 must quantify the number of persons with disabilities by type as well as the number of persons with developmental disabilities. The term developmental disability refers to a severe and chronic disability attributable to a mental or physical impairment, such as cerebral palsy, epilepsy, or autism, that begins before individuals reach adulthood. (Welfare and Institutions Code, § 4512.) For additional information and a sample analysis, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/people-with-disabilities.shtml">http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/people-with-disabilities.shtml</a>.

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).)

While the element identifies units that are at-risk of converting to market rate during the next 10 years, the element must include the following information:

- What type of subsidy or governmental assistance is received for each property?
- Ensure that all properties that receive federal, state, or local assistance are listed in the element, including Lincoln Garden Apartments and Summertree Apartments.
- The cost of replacement versus preservation of the units at risk of expiring over the next 10 years.
- 8. The City must make available on its website a current zoning code, schedule of fees, exactions, and affordability requirements imposed by that city (Gov. Code § 65940.1(a)(1)(A)(i)).

The City must comply with all transparency laws and post on their website the zoning code, schedule of fees, exactions, and affordability requirements that would apply to a proposed housing development project.

### **C.** Housing Programs

1. Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)

To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, all programs should be revised to include: (1) a description of the City's specific role in implementation including meaningful actions the City will take to achieve the identified goals, policies, and program objectives; (2) definitive implementation timelines (e.g., December 31, 2024); (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials (e.g., Planning Assistant, Community Development, etc.). For example, the element must include discrete timing for the following programs to account for how often the action will occur as well as to ensure a beneficial impact throughout the planning period:

- Program A10 (Promote the density bonus incentive program)
- Program A14 (Assist affordable housing developers with preservation or conservation)
- Program A15 (Review and update the zoning code standards)
- Program A18 (Pursue grant and loan funding opportunities)
- Program C9 (Support first time homebuyer program)
- Program C10 (Utilize REAP grant funds)

In addition, the timing for Program B2 (Periodically gather information on the status of local housing conditions) should occur in the first two or three years of the planning period to ensure a beneficial impact during the current planning period.

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

As noted in Finding 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:

Annexation: The element includes Program A4 to complete the annexation of the Woodland Research and Technology Park Specific Plan. Pursuant to Government Code section 65583, subdivision (c)(1), rezones to accommodate a shortfall must occur within three years of adoption of the housing element. The program should include a commitment to rezone additional sites to address the shortfall of sites to accommodate the City's RHNA if the land is not annexed within that time frame. In addition, pursuant to Government Code section 65583.2, subdivisions (h) and (i), to accommodate the shortfall of sites for the lower-income RHNA the program must:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.
- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low- and low-income housing need, if those sites:
  - o allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

Accessory Dwelling Units (ADU): The element must include a program that incentivizes or promotes ADU development for very low-, low-, and moderate-income households. This can take the form of flexible zoning requirements, development standards, or processing and fee incentives that facilitate the creation of ADUs, such as reduced parking requirements, fee waivers and more. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department.

3. The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)

Extremely Low Income: The element must include a program(s) to assist in the development of housing affordable to extremely low-income (ELI) households. Programs must be revised or added to the element to assist in the development of housing for ELI households. Program actions could include prioritizing some funding

for housing developments affordable to ELI households and offering financial incentives or regulatory concessions to encourage the development of housing types, such as multifamily, single-room occupancy (SRO) units, to address the identified housing needs for ELI households. For additional information, see the *Building Blocks* at <a href="http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml">http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml</a>.

<u>Density Bonus</u>: The element must include a program to comply with current state density bonus law (Gov. Code, § 65915).

Zoning Code and General Plan Amendments: The element includes Program A20 (page 23) to "consider amendments to allow duplex/triplex/and other unit types in higher resourced areas." The program should be revised to have implementation actions beyond consideration with measurable outcomes as well as have a set timeframe for implementation during the planning period. If the revision to the zoning code cannot be completed, the City should include additional options to promote additional housing choice in high opportunity areas.

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

As noted in Finding B4, the element requires a complete analysis of potential 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.

Reasonable Accommodation Procedure: The element must include a program to remove the constraints in approving a reasonable accommodation, including but not limited to the surrounding uses finding and CUP requirement. (Gov. Code, § 65583, subd. (c)(1)(3).)

<u>Group Homes</u>: The element must include a program to mitigate the constraints of excluding all group homes, for six or fewer residents as well as for seven or more residents, from many residential zones and the CUP requirements.

<u>SB 35 Streamlined Ministerial Approval Process</u>: The element must include a program to adhere to the SB 35 Ministerial Approval Process for development projects that meet specific requirements.

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 mentioned in Finding B1, programs throughout the element should be revised to address enhancing housing mobility strategies; encouraging development of new affordable housing in high resource areas; improving place-based strategies to encourage community conservation and revitalization, including preservation of existing affordable housing; and protecting existing residents from displacement. The programs should include metrics and milestones to provide benchmarks and ensure housing outcomes.

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).)

While the element includes Program 5 (Preservation of at-risk affordable housing) to contact owners one year prior to expiration of affordability, State Preservation Notice Law requires owners to provide notice starting three years from expiration. The City should proactively reach out to owners to engage them in the process of preserving the at-risk units.

### 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 must include quantified objectives to establish an estimate of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes these objectives by income group for very low-, low-, moderate- and above-moderate income, the element must also include objectives for extremely low-income households.

#### 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 element includes a general summary of the public participation process (page 4), it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. For example, the element must describe the groups invited to the focus group meetings, if translation services were available to the public, and how public comments were considered and incorporated into the element.

HCD understands the City did not make the element available to the public prior to 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 to HCD, the City has not yet complied with statutory mandates to make a diligent effort to encourage the public participation in the development of the element and it reduces HCD's ability to consider public comments in the course of its review. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including making revisions to the document where appropriate. In addition, HCD reviewed third-party comments as part of this review. These comments will be provided to the City under a separate cover and should be considered as part of the revised element. HCD's future review will consider the extent to which the revised element documents were circulated and 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.