

**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



December 23, 2021

H.P. Kang, Director
Community Development Department
City of Hemet
445 E Florida Avenue
Hemet, CA 92543

Dear H.P. Kang:

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

Thank you for submitting the City of Hemet's (City) draft housing element received for review on October 27, 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).

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.

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 your efforts and cooperation provided in the preparation of the draft element. 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 Chelsea Lee, of our staff, at Chelsea.Lee@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF HEMET

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).)

The review requirement is one of the most important features of the element update. The review of past programs should analyze the City's accomplishments over the previous planning period. This information provides the basis for developing a more effective housing program. As part of the review of programs in the past cycle, the element must provide an evaluation 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. 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).)*

Enforcement: The element describes enforcement capacity through Fair Housing Council of Riverside County; however, it must also quantify and evaluate enforcement activities, including any result of testing if available. The element must also address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints. Please visit pages 29-30 of HCD's Affirmatively Furthering Fair Housing (AFFH) guidance memo: https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf.

Patterns and Trends: While the element includes some mapping and information on segregation and integration, disparities in access to opportunity and disproportionate housing needs, it generally does not include a complete analysis for any of these categories. For segregation and integration, the element should evaluate patterns and trends for race and income, including within the City (neighborhood to neighborhood or

local level) and the City compared to the region (regional level). For disparities in access to opportunity, the element should address access to educational and economic opportunities at a local and regional level. For disproportionate housing needs, the element must address housing conditions, homelessness and displacement risk.

Racially/Ethnically Concentrated Areas of Poverty (R/ECAP): The element identifies a R/ECAP but it should specifically analyze the area. The analysis should evaluate trends, conditions, comparisons to other neighborhoods and effectiveness or absence of past strategies related to equitable quality of life. The element must add or modify programs based on the outcomes of this analysis.

Local Data and Knowledge: 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.

Other Relevant Factors: A discussion of other relevant factors is an important piece of evaluating patterns, trends, and policies that have contributed to certain fair housing conditions. This analysis must consider information that is unique to the City such as governmental and nongovernmental actions or lack thereof regarding zoning and land use regulations, information about past redlining/greenlining, restrictive covenants, practices such as disinvestment in policies that contribute to disproportionate housing needs and demographic trends.

Sites Inventory: The element includes useful discussion and conclusions on pages 3-73 to 3-82 relative to R/ECAPs and access to opportunity; however, the element must analyze all sites for each regional housing needs allocation (RHNA) income category independently and cumulatively relative to each fair housing component (e.g., enforcement and outreach, segregation and integration, and disproportionate housing needs including overpayment, overcrowding, and displacement risk). Furthermore, the element should analyze the magnitude of the impact, whether sites are isolated, and evaluate whether sites exacerbate or improve conditions at a neighborhood level for each of the fair housing components.

Goals, Priorities, 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 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.

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).)*

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).)

Extremely Low-Income Households (ELI): While the element quantifies the total number of existing (ELI) households, it must also quantify them by tenure (i.e. renter and owner) and analyze their housing needs. For example, the element could analyze trends, cost burden and other household characteristics then examine the availability of resources to determine gaps in housing needs. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

Housing Conditions: While the element includes some information on housing stock conditions from American Community Survey (ACS) data, it must also estimate the number of units in need of replacement and rehabilitation. 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>.

Housing Costs: The element includes information from the ACS on housing costs, however, it should include current information on sales prices and rents to reflect market conditions and better evaluate housing needs and formulate appropriate 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).)*

Progress in Meeting the RHNA: The element indicates 21 projects with a planned development of 5,201 units, including 900 units affordable to lower-income households. The element must demonstrate the availability of these units in the planning period and affordability based on actual or projected sales prices, rent levels, or other mechanisms establishing affordability. The analysis of availability should address the status of entitlements and any known conditions precluding availability such as phasing requirements, potential for projects to not request permits or likely built out scenarios.

Realistic Capacity: The element states the element calculates residential capacity based on zoning requirements, vacancy and development history and assumes 80 percent where recent history is not available, but it must still demonstrate what specific trends, factors, and other evidence led to the assumptions. The estimate of the number of units for each site must be adjusted as necessary, based on the land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level. The element also must analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow 100 percent

nonresidential uses (e.g., commercial, industrial). This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development.

For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning>.

Infrastructure: The element generally describes infrastructure providers and demand. However, it must also clarify whether there is sufficient total water and sewer capacity (existing and planned) to accommodate the RHNA and add or modify programs if necessary.

Large Sites: Sites larger than ten acres in size are deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites are suitable to accommodate housing for lower-income households. The element lists two larger sites and deems those sites suitable based on the City's history of developing larger sites but must provide analysis to support this conclusion. The analysis should address recent experience based on size and affordability or provide other evidence and policies and programs. For example, the element could list recent examples by zone, number of units, acreage, built density and affordability. Based on a complete analysis, the element should modify programs to encourage development on larger sites.

Zoning for Lower-Income Households: The element must demonstrate densities appropriate to accommodate housing for lower income households. For communities with densities that meet specific standards (at least 30 units per acre for Hemet), no analysis is required. (Gov. Code, § 65583.2, subd. (c)(3).) Otherwise, an analysis must demonstrate appropriate densities based on factors such as market demand, financial feasibility, and development experience within identified zones. The element appears to identify sites with either zoning or general plan designations that do not allow 30 units per acre. For example, Site 140 has a designation of MDR and zone of R3. The MDR designation allows up to 18 units per acre. For sites with zoning or general plan designations that do not allow up to 30 units per acre, the element must either provide analysis, as described above, remove sites or add or modify programs to make appropriate zoning available.

Environmental Constraints: While the element generally describes a few environmental conditions, it must relate those conditions to identified sites and describe any other known environmental or other conditions that could impact housing development on identified sites in the planning period.

Accessory Dwelling Units (ADUs): The element projects 88 ADUs over the planning period or approximately 11 ADUs per year over the eight-year planning period. According to HCD records; zero units were permitted in 2018; one was permitted in 2019; and two were permitted in 2020. These trends do not support an assumption of 11 ADUs per year. To support assumptions for ADUs in the planning period, the element should reconcile trends with HCD records, adjust assumptions as appropriate and include additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate.

Water/Sewer Priority: For your information, 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's housing element, including the RHNA. For additional information and sample cover memo, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/priority-for-water-sewer.shtml>.

Electronic Sites Inventory: 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:* Table 3-8 (page 3-13) indicates that emergency shelters are conditionally permitted in the C-M zone. However, the element must identify a zone to permit emergency shelters without discretionary action. The element must also analyze the suitability and capacity of that zone for an emergency shelter. For example, identifying the number of parcels, typical parcels' sizes, whether the sites are nonvacant, and the potential capacity for adaptive reuse. To analyze the suitability of the zone, the element should also include information on surrounding uses, access to services and whether conditions are fit for human habitation. The element should clarify consistency with statutory requirements regarding parking. Based on this analysis, programs must be added or modified to address any identified constraints.

For your information, effective January 1, 2008, if a local government cannot identify a zone to permit emergency shelters without a discretionary action, a program must have been implemented to amend zoning within one year of the adoption of the housing element. Given this time period has passed, HCD cannot find the element to comply with statutory requirements until the appropriate zoning is complete.

- *Transitional and Supportive Housing:* Transitional and supportive housing must be permitted as residential uses in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. Instead, the element indicates these uses are excluded from several residential zones. The element must demonstrate compliance with statutory requirements or add or modify programs to amend zoning as appropriate.
- *Employee Housing:* While the element references a program is added in Section 4: Housing Plan to amend the City's development standards regarding the Employee Housing Act (Health and Safety Code, § 17000 et seq.), specifically, sections 17021.5 and 17021.6, no corresponding program could be found. Section 17021.5 requires employee housing for six or fewer employees to be treated as a single-

family structure and permitted in the same manner as other dwellings of the same type in the same zone. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. The element must demonstrate compliance with these requirements or add or modify programs as appropriate.

- *Single Room Occupancy (SRO) Units*: The element must demonstrate zoning available to encourage and facilitate single room occupancy or include programs as appropriate to establish appropriate zoning.
 - *Accessory Dwelling Units (ADUs)*: The element includes a brief and generic description of ADUs but it should also demonstrate compliance with statutory requirements and add or modify programs if necessary.
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 analyze all relevant land use controls impacts as potential constraints on a variety of housing types (e.g., multifamily rental housing, mobilehomes, transitional housing). The analysis must also evaluate the cumulative impacts of land use controls on the cost and supply of housing, including the ability to achieve maximum densities and cost and supply of housing. Specifically: the element includes minimum lot sizes for multifamily developments (p. 3-9); however, identified sites (Appendix B) include sites smaller than the minimum lot sizes. The element must include a program to mitigate this constraint or remove sites that do not meet minimum lot size requirements.

In addition, on page 3-10, the analysis acknowledges that maximum building heights may be a constraint on multifamily development and as a result, the element should include a corresponding program.

Local Processing and Permit Procedures: The element must describe and analyze the City's permit processing and approval procedures by zone and housing type (e.g., multifamily rental housing, mobilehomes, housing for agricultural employees, supportive housing). The analysis must evaluate the processing and permit procedures' impacts as potential constraints on housing supply and affordability. For example, the analysis should consider processing and approval procedures and time for typical single- and multi-family developments, including type of permit, level of review, approval findings and any discretionary approval procedures. For additional information and sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/processing-permitting-procedures.shtml>.

In addition, the element must describe and analyze the design review guidelines and process, including approval procedures and decision-making criteria, for their impact 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 provides a general description of on- and off-site improvements on page 3-26, but it must identify and analyze actual improvement standards (e.g., minimum street width) for impacts on housing supply and cost. 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>.

Codes and Enforcement: The element must describe the City's building and zoning code enforcement processes and procedures, including any local amendments to the building code, 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>.

Local Ordinances: The element must specifically analyze any 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.

Zoning, Development Standards and Fees: The element must clarify its compliance with new transparency requirements for posting all zoning, development standards and fees for each parcel on the jurisdictions' website and add a program to address these requirements if necessary.

Housing for Persons with Disabilities: The element states the City has a reasonable accommodation procedure (p. 3-15), but it should also analyze the procedure for potential constraints. The analysis should address the process, application requirements and approval findings. In addition, the element indicates on page 3-13 that both small and large group homes are subject to a Small Group Homes Permit (SGHP) or an Administrative Use Permit (AUP) in several residential zones within the City but must also analyze these processes and procedures as potential constraints. Depending on its analysis, the element must add or modify 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. 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).)

Identified Densities and Approval Times: The element did not address these requirements. The element must address requests to develop housing at densities below those anticipated in the sites inventory and the length of time between receiving approval for housing development and submittal of application for building permits. The analysis must address any hinderances on housing development and programs should be added 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).)*

While the element quantifies the City's special needs populations, it must also analyze their special housing needs. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (availability senior housing units, # of large units, # of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps. As part of this analysis, the element should also identify the number of persons with developmental disabilities, elderly households by tenure and the characteristics of persons experiencing homelessness.

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 have a beneficial impact in the planning period and achieve the goals and objectives of the housing element, programs must have specific commitment and timelines. However, programs are largely void of both specific commitments and timelines and must be

revised. Examples include Programs H-1a (Implement Fair Housing Laws), H-1c (Accessibility for Persons with Disabilities), H-1f (Housing for Extremely Low-Income (ELI) Households), H-2e (Address Flooding Issues), H-3b (Maintain Inventory of Housing Sites, Including Infill Sites), H-3f (Monitoring Potential Constraints), and H-3g (Compliance with SB 35 Permit Streamlining Requirements). Other examples of programs that do not contain specific and clear commitments to complete a deliverable or action that will have a tangible and beneficial impact include Programs H-1a (Implement Fair Housing Laws), H-1f (Housing for Extremely Low-Income (ELI) Households), H-3c (Accessory Dwelling Units), and H-3f (Monitoring Potential Constraints).

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, Program H-1e (Supportive Housing and Low Barrier Navigation Centers) states the City will process these uses as required if applications are received. However, the City must proactively amend zoning to be inclusive of a variety of housing types. The Program should include clear and specific to amend zoning by a date certain early in the planning period.

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).)*

While the element includes various Programs such as H-1d (Housing for Special Needs) and H-1f (Housing for Extremely Low-Income Households), these programs should be revised with specific and proactive action with timing toward actual outcomes such as outreach efforts with developers of affordable housing on an annual basis. Other examples of Programs that should be revised include H-1b (Emergency Shelters and Homeless Facilities), H-1c (Accessibility for Persons with Disabilities), H-2a (Facilitate Development of Affordable Housing) and H-2f (Coordination for Entitlement Funding).

In addition, as noted on page 3-9, the element must include specific commitment by a specified date to amend the City's ordinance in compliance with State Density Bonus Law.

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 Findings B4 and B5, 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.

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

Because mobile homes represent a significant portion of the housing stock, the element should include specific actions (beyond enforcement) to conserve and improve this housing stock. For example, the element could include programs to utilize HCD's Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP). For more information, see <https://www.hcd.ca.gov/grants-funding/active-funding/mprrop.shtml>.

6. *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 assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. For additional guidance on program requirements to AFFH, please see HCD's guidance at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

7. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, "accessory dwelling units" has the same meaning as "accessory dwelling unit" as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)*

As indicated in Finding B3, given the City's assumptions for ADUs exceed recent trends, the element should amend Program H-3c (Accessory Dwelling Units) with firm commitments and timelines to monitor permitted ADUs and affordability every other year and take appropriate action such as adjusting assumptions or rezoning within a specified time (e.g., six months). The Program should also include clear commitment to amend the ordinance earlier in the planning period (e.g., within one year) and comply with state law in the meantime and take steps beyond exploring incentives and actually establish incentives by a specified date.

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 new construction objectives, the element should consider rehabilitation and conservation objectives beyond 0 units for the entire eight-year planning period.

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 (Appendix C), it should also summarize the public comments and describe how they were considered and incorporated into the element. For example, the element indicates in several areas the need to address multi-generational housing needs but provides no summary or apparent programmatic response. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

While the element describes public meetings, workshops, surveys and study sessions, moving forward, the City could employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts.