

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

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October 11, 2021

Shane Stueckle, Deputy Town Manager
Town of Yucca Valley
57090 Twentynine Palms Highway
Yucca Valley, CA 92284

Dear Shane Stueckle:

RE: Town of Yucca Valley's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the Town of Yucca Valley's (Town) draft housing element received for review on August 12, 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. In addition, HCD considered comments from Art Miller, Cynthia Kraemer and Yvonne Rohr, 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 revisions needed to comply with State Housing Element Law.

Yucca Valley's statutory deadline to adopt a housing element is 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).

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 Town 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 Town 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 is committed to assisting Yucca Valley in addressing all statutory requirements of State Housing Element Law and appreciates your efforts as well as the assistance consultant Amy Sinsheimer provided in the preparation of your draft element. If you have any questions or need additional technical assistance, please contact Gerlinde Bernd at Gerlinde.Bernd@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX TOWN OF YUCCA VALLEY

The following changes are necessary to bring the Town'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. 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).)*

Local Trends and Patterns: The element must analyze local trends and patterns related to concentrated areas of affluence and persons experiencing homelessness.

Regional Trends and Patterns: While the element includes some regional analysis related to factors such as fair housing issues, it must also analyze and compare Town and regional patterns and trends for race, disability, concentrated areas of affluence, cost burdened households, substandard housing conditions, homelessness, and displacement risk.

Enforcement and Outreach: The element includes a generic statement that the Town complies with fair housing laws, but it must include some supporting information and analysis to demonstrate compliance with fair housing laws. 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.

Sites Inventory: The element must identify and analyze sites throughout the community to foster inclusive communities and AFFH. While the element included a general description of where the sites are located in relationship to income and lower and higher resourced areas, all RHNA sites (all incomes) must be analyzed against each fair housing issue area (e.g., integration and segregation, access to opportunity, and disproportionate housing needs including displacement risk).

Other Relevant Factors: While the element included some information on other relevant factors such as lending discrimination and short-term rentals, it should include additional other relevant factors such as changes and barriers in zoning, past redlining practices, restrictive covenants, history of investment and pertinent demographics that contribute to analyzing fair housing issues.

Goals, Priorities, Metrics, and Milestones: The element included a list of factors that contributed to each fair housing issue (p. 67) along with programs that will seek to address the contributing factors. However, several of the programs listed do not appear to facilitate meaningful change to overcome the fair housing issues. For example, the element identified the concentration of lower-income households as a fair housing issue and actions included permitting SROs with a discretionary process and promoting ADUs in high resourced areas (Program H1-3). However, these actions lacked specific commitment and do not appear sufficient to promote meaningful change. The element should either add or revise existing programs including but not limited to Programs H1-3 (Encourage Housing Types), H2-1 (Higher Density Residential), and H3-4 (Section 8 Housing Assistance). Additionally, the element must add programs to implement place-based strategies toward community revitalization and displacement risk measures for census tracts with several overlapping fair housing issues. Lastly, each program must include metrics and milestones.

2. *An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low-income (ELI) 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 existing housing needs of ELI households, it must still quantify projected ELI housing needs. The projected housing need for ELI households can be calculated by using available census data to determine the number of very low-income households that qualify as ELI households or presume that 50 percent of very low-income households qualify as ELI households. 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>.

Overpayment: While the element identifies the total number of overpaying households, it must quantify and analyze overpaying households by tenure (i.e., renter and owner), including for lower-income households. For your information, please see the SCAG pre-certified local data packages: <https://scag.ca.gov/local-housing-data>.

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).)*

Regional Housing Needs Allocation (RHNA): The housing element states the Town's RHNA allocation is 749 units (p. 101); however, the Town has been assigned a RHNA of 750 units by the Southern California Association of Governments (SCAG).

The element must be revised to reflect the assigned RHNA by income level. For more information on the Town's RHNA, please visit the SCAG approved RHNA plan at <https://scag.ca.gov/sites/main/files/file-attachments/6th-cycle-rhna-final-allocation-plan.pdf?1625161899>.

Zoning for Lower RHNA: The element identified the C-MU zone to accommodate the majority of the Town's lower-income RHNA. However, the permitted use table (p. 75) states that the Town does not allow any multifamily development and only allows mixed-use projects with the approval of a specific plan (essentially rezoning); indicating that zoning with development standards are not available to C-MU zoned sites to allow multifamily development at appropriate densities. The element should either clearly state multifamily development at appropriate densities is allowed under the current zoning, including the availability of development standards or include programs to rezone sites with appropriate zoning and development standards. Programs to rezone sites may trigger various by-right requirements pursuant to Government Code section 65583.2, subdivision (h) and (i).

Realistic Capacity: 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 states that vacant sites zoned residential-only would develop at 80 percent of the maximum allowable densities and sites with mixed-use zoning will develop at 50 percent of its maximum densities (p. 102). The element must include information to support these assumptions based on development trends by affordability, land use controls such as development standards, or other information.

Environmental Constraints: The element identified various environmental constraints on sites identified to accommodate the lower-income RHNA. The element must analyze these constraints for impact on cost and feasibility of developing and known conditions that preclude development and include information, if any, on measures to mitigate constraints.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the Town must submit an electronic sites inventory with its adopted housing element. The Town 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 Town can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types (Emergency Shelters): Zoning to permit emergency shelters without discretionary action was required as part of the 4th cycle housing element and prior to the 5th cycle housing element. The element indicates emergency shelters are only allowed subject to a special use permit and does not demonstrate the special use permit is a non-discretionary process. Given the Town only permits emergency shelters with a discretionary process and the time to identify

appropriate zoning has lapsed, HCD cannot find the element in compliance until the appropriate zoning to permit emergency shelters without discretionary action is demonstrated or completed.

In addition, emergency shelters may be subject to specified development standards including parking to accommodate staff provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone. The element should describe compliance with these requirements or include programs 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).)*

Housing for Persons with Disabilities: The element states that the Town defines family as “any group of individuals living together based on personal relationships” (pp. 91-92). Additionally, the element states that the Town’s reasonable accommodation findings require that the request “will not fundamentally alter changes to the neighborhood character” (p. 93). The element should analyze the definition of family and the reasonable accommodation findings for constraints on housing for persons with disabilities and revise programs to address identified constraints.

On and Off-Site Improvements: The element states that the Town may impose additional off-site improvements for projects that are subject to discretionary review. The element should include information on actual standards and typical improvements that are requested for projects processed through a discretionary review such as street widths, sidewalks and curbs and analyze their impact as potential constraints on housing supply and affordability.

Building Codes: The element states that the Town adopted the 2019 California Building Code and made subsequent local amendments upon adoption to address environmental, health, and safety conditions (p. 94). The element should describe the amendments and analyze their impact on housing constraints. Additionally, the element should describe and analyze how the Town enforces building codes.

Processing and Permit Procedures: While the element included information on the required permits based on the use (p. 97), it should also describe the procedures for a typical single family and multifamily development. The analysis should address the approval body, the number of public hearings, if any, approval findings, and any other relevant information. The analysis should address impacts on housing cost, supply, timing, and approval certainty. For example, the element should identify and analyze approval findings for impacts on approval certainty and any approaches to promote certainty and add or modify programs as appropriate.

Design Review: The element should clarify whether the Town has a design review process, and if so, include information on the required findings, timing and any policies or procedures to promote certainty such as design guidelines, objective standards, technical assistance to applicants, etc.

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

B. 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 address the goals of the housing element, programs must be revised with discrete timelines, specific commitment, and descriptions on how the program will be implemented. For example, the element must revise programs to describe how each program will be implemented. For example, Program H1-3 stated the "Town will promote the opportunity develop accessory dwelling units (ADUs) to the public in high resources areas..."; however, the element should include additional information and timelines on what actions the Town will take to promote ADUs.

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 A3, 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 Town may need to add or revise

programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

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).)*

ELI and Special Needs Households: The element must include a program(s) with specific actions and timelines to assist in the development of housing for ELI and special needs households, specifically, persons with disabilities, including developmental disabilities. The program(s) could commit the Town to proactively reaching out to developers of affordable housing, adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to special needs households; assisting with funding or supporting or pursuing funding applications; and outreach and coordination with affordable housing developers.

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 A4, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the Town may need to revise or add programs and address and remove or mitigate any identified constraints.

5. *Promote AFFH 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 A1, the element does not include a complete Assessment of Fair Housing (AFH). Depending on a complete analysis, the element may need to add or revise programs as appropriate. 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>.

C. 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).)

In addition to all the efforts to achieve public participation in the preparation of the housing element update, the element should also describe how comments were considered and incorporated into the element. For example, HCD received several comments regarding promoting housing supply and choices such as providing education and promotion of ADUs, rezoning additional land, and providing zoning for multifamily development. Future versions of the element should describe how these comments were considered and incorporated into the element. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

D. General Plan Consistency

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

The element must describe how consistency was achieved and how it will be maintained during the planning period. For example, to maintain internal consistency, the element could include a program to conduct an internal consistency review of the general plan as part of the annual general plan implementation report required by Government Code section 65400. The annual report can also assist future updates of the housing element. For additional information and a sample program, see the *Building Blocks* at <http://www.hcd.ca.gov/community-development/building-blocks/other-requirements/analysis-consistency-general-plan.shtml>.