

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

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January 4, 2024

David Brletic, Director
Community Development Department
City of Sanger
1700 7th Street
Sanger, CA 93657

Dear David Brletic:

RE: Review of the City of Sanger's (2023-2031) Draft Housing Element

Thank you for submitting the City of Sanger's (City) draft housing element received for review on October 9, 2023, along with revisions received on December 20, 2023. The revisions were made available to the public for seven days prior to the California Department of Housing and Community Development (HCD) review. The review was facilitated by a conversation, on December 12, 2023, with the City's housing element update team. In addition, HCD considered comments from David Kellogg, pursuant to Government Code section 65585, subdivision (c). Pursuant to Government Code section 65585, the HCD is reporting the results of its review.

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

1. *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 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). Based on the outcomes of a complete evaluation, the element should add or modify programs as appropriate.

2. *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))

Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics. (Gov. Code, § 65583, subd. (c)(5).)

Concentrated Areas of Poverty: The element includes information relative to areas of High Segregation and Poverty but should specifically evaluate the characteristics of these areas, changes over time, comparisons to other neighborhoods in terms of equitable quality of life (e.g., housing condition and affordability, infrastructure, parks, active transportation, safe routes to school, community facilities, environmental justice) and consider other relevant factors, such as public participation, past policies, practices, and investments and demographic trends.

Disproportionate Housing Needs, Including Displacement Risk: The element includes some general information on housing conditions and persons experiencing homelessness but should also evaluate that information, particularly related to patterns or areas or neighborhoods of higher need. For housing conditions, the element mentions some areas of the City with older homes but should also discuss if there are areas that have a higher need for rehabilitation and replacement. For persons experiencing homelessness, the element should examine patterns of need or areas with higher concentrations of persons experiencing homelessness, including access to transportation and services. The element should utilize local data and knowledge such as service providers, developers and managers of affordable housing and code enforcement officials to assist this analysis.

Contributing Factors to Fair Housing Issues: Based on the outcomes of a complete analysis, the element should re-assess and prioritize the contributing factors to fair housing issues.

Programs: As noted above, the element requires a complete affirmatively furthering fair housing (AFFH) analysis. Depending upon the results of that analysis, the City may need to revise or add programs. In addition, goals and actions must specifically respond to the analysis and 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 specific commitment, metrics or numeric targets, geographic targeting, and milestones and must address, as appropriate, housing mobility enhancement, new housing choices and affordability in higher opportunity areas, place-based strategies toward community revitalization, and displacement protection. For example, the element should expand housing mobility and place-based strategies toward

community revitalization beyond implementing general plan policies. HCD will send examples under a separate cover.

3. *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).)*

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).)

Housing Needs and Special Needs Assessment: The element includes a quantification of housing needs, including special needs for the region and some reporting of demographics for the City. While this quantification is generally adequate, the element should analyze the quantification to better understand housing needs and formulate appropriate policies and programs for the City. For example, this analysis should address trends, characteristics, magnitude of needs, resources and potential strategies and should at least be conducted for population growth, employment, tenure, overpayment, overcrowding, housing unit types, and special needs households. Based on the outcomes of a complete analysis, the element should add or modify programs, as appropriate, to assist in the development of housing and conserve and improve the existing housing stock for lower-income households, including extremely low-income and special needs households and individuals.

4. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level... (Gov. Code, § 65583, subd. (c)(1).)

Large Sites: Sites larger than ten acres in size are deemed inadequate to accommodate housing for lower-income households unless sites of equivalent size and affordability have been developed in the prior planning period or other evidence demonstrates the suitability of large sites to encourage housing for lower-income households. The element identifies two sites larger than ten acres toward

the lower-income regional housing need allocation (RHNA) – Sites 2 and 3 – and should include analysis as follows:

- *For Site 2*, the element discusses that only smaller appropriately sized portions (five acres) have been identified as part of much larger parcels. This evidence is adequate to demonstrate the suitability of these sites given the size of the larger parcel, explanation of potential parceling, and number of units assumed toward the lower-income RHNA. However, the element must modify Program 15 (Large Sites) to be more responsive by establishing incentives and other approaches beyond outreach to facilitate appropriate parceling to encourage housing affordable to lower-income households.
- *For Site 3*, the element discusses the Site is approximately 14 acres and will be parceled to split off 10 acres for housing affordable to lower-income households. However, the element should either demonstrate the feasibility of this scenario or use an alternative approach. For example, the element could assume a much smaller portion (e.g., 4 acres) toward the lower-income RHNA or could explain that the 14 acres is likely part of a much larger area that will be merged to better demonstrate the feasibility of the scenario. Based on the outcomes of this analysis, Program 15 should be further revised to encourage and facilitate appropriate parceling and encourage housing affordable to lower-income households.

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/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

5. *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...(Gov. Code, § 65583, subd. (a)(5).)*

Address and, where appropriate and legally possible, remove governmental...constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities... (Gov. Code, § 65583, subd. (c)(3).)

Constraints on Housing for Persons with Disabilities: While the element lists approval findings and mentions an appeal process, including a program to remove the fee requirement, it should also evaluate the approval and appeal process as a

potential constraint. For example, the analysis should discuss the approval process, including how and who triggers an appeal and who reviews the appeal then evaluate the potential impacts of the process. Based on the outcomes of this analysis, the element should add or modify programs to address identified constraints. In addition, the element notes several subjective approval findings for the reasonable accommodation procedure and commits (Program 17 – Reasonable Accommodation and Universal Design) to review findings for objectivity. However, Program 17 must go beyond reviewing findings and commit to remove findings that constrain housing for persons with disabilities, including, at least, findings related to “potential impact on the surrounding area.”

6. *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)(9).)*

While the City made considerable effort to include the public through workshops and surveys, moving forward, the City should employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/public-participation>.

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 must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the City’s website and emailed with a link to all individuals and organizations that have previously requested notices relating to the local government’s housing element at least seven days before submitting to HCD.

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

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (December 31, 2023), then any rezoning to make prior identified sites available (Program 6 – Use of Sites in Previous Cycles) or accommodate the RHNA

shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). 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). Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until these rezones are completed.

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

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the hard work and dedication the City's housing element team provided during the course of our review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Laurissa Wells, of our staff, at Laurissa.Wells@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager