DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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January 29, 2024

Ben Gallegos, City Manager City of Firebaugh 1133 P Street Firebaugh, CA 93622

Dear Ben Gallegos:

RE: City of Firebaugh's (2023-2031) Draft Housing Element

Thank you for submitting the City of Firebaugh's (City) draft housing element received for review on November 1, 2023. In addition, the California Department of Housing and Community Development (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 housing element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government does not adopt a compliant housing element within 120 days of the statutory deadline (December 31, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation 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 does not 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 meets 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 the Firebaugh housing element team provided during the 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

Enclosure

APPENDIX CITY OF FIREBAUGH

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 https://www.hcd.ca.gov/planning-and-community-development/hcd-memos. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks 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 review of programs in the past cycle, the element must provide an evaluation of the cumulative impact and 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). While the element makes a few general statements such as the City follows reasonable accommodation and accessibility laws; it should evaluate the effectiveness of these efforts in meeting the objectives of the program then discuss the cumulative effectiveness of special housing needs programs, and finally revise current programs as appropriate. For example, the element states the City was unable to identify a partner to develop farmworker housing but should discuss what efforts were made, why those efforts were not effective, any outcomes as a result of efforts and then formulate current programs to address lessons learned from the prior planning period. Based on the outcomes of a complete analysis, the element should add or modify programs as appropriate.

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).).

<u>Disproportionate Housing Needs, Including Displacement Risk</u>: The element includes some general information on persons experiencing homelessness but should also evaluate that information. Specifically, 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 and code enforcement officials to assist this analysis.

In addition, to better evaluate displacement risks, the element could utilize new data available for displacement risk on HCD's Affirmatively Furthering Fair Housing (AFFH) Data Viewer available at https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing.

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

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).)

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 and the magnitude of the gap between housing needs and resources 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. In addition, the element generally discusses the housing needs of extremely low-income (ELI) households and some resources and programs intended toward those housing needs but should also discuss the gap and magnitude of unmet needs between housing needs and resources and programs. Based on the results of a full analysis, the element may need to add or modify programs in response to the magnitude of the gap.

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).)

Realistic Capacity: The element must estimate the number of units for each site and account for land use controls and site improvements and typical densities of existing or approved residential developments at a similar affordability level. To address this requirement, the element lists some recent multifamily developments in the City and selects a small number of projects from different parts of the County. However, the element should better reflect local conditions and utilize local data or comparable areas in western portions of the County or adjacent counties.

Additionally, the City utilizes zones that allow 100 percent nonresidential uses (e.g., C-1, C-2, C-3) to identify residential capacity toward the regional housing need allocation (RHNA). While the element conservatively assumes only 50 percent of allowable residential capacity in these zones and lists a few mixed-use examples in eastern County, it should still support this assumption with analysis. Specifically, the element should discuss whether and how residential uses have been successfully built within nonresidential zones and account for the likelihood of 100 percent nonresidential development, such as examining all development in the nonresidential zones and how often development includes a residential component. Depending on the outcome of that analysis, the element should consider additional program commitments or enhancement factors to reinforce production assumptions on nonresidential zoned sites.

<u>Electronic Sites Inventory</u>: 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.

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 identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should address any impacts on cost, supply (number of units) and ability to achieve maximum densities and include programs to address identified constraints. For example, this analysis should address multifamily heights and any guest parking requirements.

On/Off-Site Improvements: The element generally describes typical on- and off-site improvements such as street widths, street lighting, and rights of way. However, the element should analyze the cost impacts on a typical development and add or modify programs if necessary. For additional information and a sample analysis, see the Building Blocks a https://www.hcd.ca.gov/planning-and-community-development/housingelements/building-blocks/codes-and-enforcement-and-onsite-offsite-improvementstandards.

C. <u>Housing Programs</u>

1. Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities... Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including 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.

- 2. 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)
 - <u>Program 12 (Support Funding for Farmworker Housing)</u>: While the Program includes identifying development opportunities at least twice during the planning period, the program must add actions to address existing conditions for farmworkers. For example, the program could clarify targeting in other rehabilitation programs along with increased metrics for farmworkers.
- 3. 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... (Gov. Code, § 65583, subd. (c)(3).)
 - As noted in Finding B4, the element requires a complete analysis of potential governmental constraints. Depending on the results of that analysis, the City may need to revise or add programs to address and remove or mitigate any identified constraints.
- 4. 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).)

As noted in Finding B1, the element requires a complete AFFH analysis. Depending upon the results of that analysis, the City may need to revise or add programs. In addition, to AFFH, programs should be revised, as follows:

- Program 9 (Community Development Block Grant Funding): This Program should increase the quantifiable metric.
- Program 15 (Promote and Facilitate Accessory Units): This Program should increase the metric or numeric target for the planning period.

- Program 18 (Environmental Hazard Mitigation): The Program should add specific commitments and quantifiable metrics. The Program should also consider adding actions to address disparities in access to environmental (e.g., air) quality.
- *Program 22 (Lot Consolidation)*: This Program should increase the quantifiable metric given the reliance on sites needing lot consolidation to meet the RHNA.
- Program 31 (Improve Access to Resources): This Program must add discrete timing, geographic targeting, and quantifiable metrics. Additionally, the Program must expand place-based actions with specific commitment, timing, geographic targeting and metrics or numeric targets toward outcomes. Examples of place-based strategies including targeting the City's capital improvement program toward a broad range of activities, applying for funding toward community revitalization, community amenities, parks, community facilities, recreation facilities, active transportation, infrastructure, streetscape improvements, safe routes to school and other community development activities.

D. 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)(9).)

While the element provides an overview of public comments recently received, it must also describe how prior comments are incorporated into the housing element. In addition, the discussion of public participation should not be limited to comments received on the City's housing element and should incorporate comments received on the Multi-Jurisdictional Housing Element. Further, Self Help Enterprises has provided helpful comments to other cities in the region that have meaningful application county-wide. In addition, HCD received comments with meaningful suggestions related to streamlining the California Environmental Quality Act (CEQA) process. HCD encourages the City to consider these comments and will send the comments under separate cover.

Finally, public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision 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 local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.