DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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March 6, 2024

Joshua Stanshaw, Town Administrator Town of Fort Jones 11960 East Street Address Fort Jones, CA 96032

Dear Joshua Stanshaw:

RE: Town of Fort Jones 6th Cycle (2023-2031) Draft Housing Element

Thank you for submitting the Town of Fort Jones' (Town) draft housing element received for review on December 11, 2023, along with revisions received on February 14, 2024. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (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), as follows:

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).)

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).)

<u>Disproportionate Housing Needs Including Displacement Risks</u>: The element includes some general information on housing conditions but should also evaluate those needs, impacts and patterns within the Town. For example, the element should discuss any areas of potentially higher needs of rehabilitation and replacement. The element should utilize local data and knowledge such as the recent housing condition survey, service providers and code enforcement officials to assist this analysis.

<u>Identified Sites and Affirmatively Furthering Fair Housing (AFFH)</u>: The element generally describes identified sites but should evaluate the identified sites by

income group and a smaller geography (e.g., quadrants, areas of Town) than census tracts to evaluate any isolation of the regional housing need allocation (RHNA). Based on the outcomes of this analysis, the element should add or modify programs to promote more housing choices and affordability throughout the Town, including identifying additional sites with a variety of housing choices and affordability not located on the perimeter of the Town.

Local Data and Knowledge and Other Relevant Factors: With factors such as a smaller population and census tract extending well beyond the Town limits, the state and federal data is influenced by demographic information beyond the Town limits. For these and other reasons, the analysis of fair housing should particularly utilize local data and knowledge and other relevant factors to better understand any local patterns or differences or lack of differences from neighborhood to neighborhood. Local data and knowledge and other relevant factors should be used across all of the fair housing analysis components (e.g., segregation and integration, disparities in access to opportunity and disproportionate housing needs). Examples of local data and knowledge include information from Town officials (e.g., planners, code enforcement, civil engineers, local legislators), past surveys and assessments, infrastructure investments to inform capital improvement plans, data used for applications for funding, service providers, developers, school representatives, regional planners, service districts and other sources. For example, Town officials and service providers could better inform any local patterns or differences in neighborhood conditions. Examples of other relevant factors include land use, zoning, development patterns, state and federal investment, physical or social barriers and access to schools (e.g., safe routes to school), community amenities, facilities and programs. For example, the element could discuss any differences between neighborhoods that might have been influenced by the highway. HCD will send an analysis guide to assist the Town with this analysis.

Contributing Factors to Fair Housing Issues: Based on the outcome of a complete analysis, the element should reassess and prioritize contributing factors to fair housing issues and prioritize those factors and then formulate appropriate policies and programs. Please note, the element explains that prioritized contributing factors are bold and italicized but does not appear to bold and italicize contributing factors to fair housing issues.

<u>Programs</u>: As noted above, the element requires a complete AFFH analysis. Depending upon the results of that analysis, the Town may need to revise or add programs. 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 specific commitment, milestones, geographic targeting and metrics or numerical targets and, as appropriate, address housing mobility enhancement (housing choices and affordability across geographies), new

housing choices and affordability in higher opportunity or income areas (throughout the Town), place-based strategies for community preservation and revitalization, and displacement protection.

 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 (ELI) Households: While the element includes some basic information about ELI households, given the unique and disproportionate needs of ELI households, the element must include analysis to better formulate policies and programs. For example, the element could analyze trends, cost burden, overcrowding and other household characteristics then examine the effectiveness of policies and resources to determine gaps in housing needs. For additional information, see the Building Blocks at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs.

<u>Housing Conditions</u>: While the element discusses a housing condition survey from 2004 and describes some recent code enforcement activity, it should utilize this information to update the estimate of the number of units in need of rehabilitation and replacement in the Town.

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).)

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... (Gov. Code, § 65583, subd. (c)(1).)

Realistic Capacity: The element appears to utilize sites with zoning (C-2 Zone) that allows 100 percent nonresidential uses. While the element conservatively calculates residential capacity, it should still discuss the likelihood of residential development in the C-2 zone and, if necessary, adjust residential capacity assumptions and add or modify programs to insure certainty for residential development.

<u>Availability of Infrastructure</u>: The element generally discusses water and sewer capacity and mentions that "most" identified sites have access to water and sewer but should clarify which sites have access to infrastructure. If necessary, the element should add or modify programs to address any identified constraints to providing infrastructure access.

<u>Environmental Constraints</u>: While the element generally describes environmental conditions within the Town, it should describe any other known constraints within the Town that could impact housing development in the planning period. Examples of other conditions include shape, property conditions and easements.

<u>Electronic Sites Inventory</u>: 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/planning-and-community-development/housing-elements 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 (Manufactured Housing): Manufactured homes that are built on a permanent foundation must be allowed in the same manner and in the same zones as conventional or stick-built structures. Specifically, manufactured homes on a permanent structure should only be subject to the same development standards that a conventional single-family residential dwelling would be subject to. The element must demonstrate consistency with this requirement or add or modify programs as appropriate.

<u>Programs</u>: As noted above, 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. In addition, the element should be revised as follows:

- Program 2.1.4 (Zoning Amendments Single Room Occupancy (SRO)):
 The Program should specifically commit to establish development standards that encourage and facilitate SROs.
- Program 2.1.4 (Zoning Amendments Emergency Shelters): The Program should clarify that parking requirements will not exceed the amount necessary for staffing.
- Program 2.1.4 (Transitional and Supportive Housing): The Program should clarify that all residential uses (not just single-family) will be permitted as residential in all zones allowing residential uses and only submit to requirements of other residential uses of the same type in the same zone. Separately and in addition, the element should commit to

amend zoning to permit by-right permanent supportive housing pursuant to Government Code section 65651.

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.....and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)

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).)

Local Processing and Permit Procedures: While the element includes information about processing times, it should also describe the procedures for a typical single-family and multifamily development. The analysis should address the approval body, design review requirements, the number of public hearing 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, the presence of processes or guidelines to promote certainty and add or modify programs as appropriate.

In addition, the element should address public comments on this revised draft submittal and discuss compliance with the Permit Streamlining Act and intersections with California Environmental Quality Act (CEQA) and timing requirements, including streamlining determinations and add or modify programs as appropriate.

On and Off-Site Improvements: While the element identifies some on and off-site improvements, it should analyze these requirements for impacts on the cost of development. For example, the analysis should address whether off-site improvements are or are not generally limited to street frontage and analyze cost impacts.

Zoning and Development Standard Transparency: The element includes a program to post fees on the Town's website but should also clarify compliance with new transparency requirements for posting all zoning and development standards on the jurisdiction's website or add or modify programs, as appropriate.

<u>Program</u>: As noted above, the element requires a complete analysis of potential governmental and nongovernmental 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. 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 HE.1.1.1 (Support Affordable Housing)</u>: The Program should include proactive outreach to affordable housing developers to identify development opportunities at least every other year.
 - <u>Program 1.1.4 (ELI Households)</u>: The Program should commit to when regulatory incentives will be expanded and how often the Town will encourage the development of SROs.
 - <u>Program 4.1.3 (Hazard Mitigation Planning)</u>: The Program should commit to how often a disaster mitigation plan will be implemented (e.g., at least annually), including applying for funding (e.g., every other year)
- 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).)

The element describes the public participation effort, including various comments. However, moving forward, the element should expand outreach beyond the contacted organizations and employ additional methods to potentially reach all segments of the community such as community workshops or events. In addition, the element discusses input but should also discuss how that input was incorporated into the element.

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

As a reminder, the Town's 6th cycle housing element was due February 15, 2023. As of today, the Town has not completed the housing element process for the 6th cycle. The Town's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the Town 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 the Town does not adopt a compliant housing element within 120 days of the statutory deadline (February 15, 2023), then any rezoning to make prior identified sites available

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). Please be aware, the element cannot be found in compliance until rezoning is complete since it has been over one year from the statutory deadline.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the Town 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. 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.

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 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: https://www.opr.ca.gov/planning/general-plan/guidelines.html.

HCD appreciates the commitment and responsiveness provided during the housing element review and update. We are committed to assisting the Town in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Andrea Grant, of our staff, at andrea.grant@hcd.ca.gov.

Sincerely,

Paul McDougall

Senior Program Manager