

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

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December 3, 2021

Kenneth Phung, Director
Development Services
City of Perris
101 N. D Street
Perris CA 92570

Dear Kenneth Phung:

RE: City of Perris 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Perris's (City) draft housing element received for review on October 5, 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. Our review was facilitated by a telephone conversation on December 3, 2021 with Sarah Walker, the City's Planning Consultant.

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the County 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.

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 meets housing element requirements for these and other funding sources.

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 Tristan Lanza, of our staff, at tristan.lanza@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF PERRIS

The following changes are necessary to bring the City of Perris (City) 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 element must provide a cumulative evaluation of the effectiveness of past 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))*

Regional Trends and Patterns: While the element includes some regional analysis related to different fair housing components, it must also analyze and compare the City with regional patterns and trends for access to transportation opportunities, cost burdened and overcrowded households, and substandard housing conditions.

Sites Inventory: While the element analyzed regional housing needs allocation (RHNA) sites relative to environmental scores and low-high resourced census tracts, sites must be analyzed against access to transportation, education, and economic opportunities. Additionally, the element included a general discussion of disproportionate housing needs; however, it must include an analysis of cost burdened and overcrowded households, and substandard housing conditions.

Other Relevant Factors: The element must include and discuss any relevant factors such as changes and barriers in zoning, past redlining practices, restrictive covenants, history of investment and pertinent demographics that have contributed to fair housing issues.

Fair Housing Issues: The element listed the City's fair housing issues (Table 5-22) as fair housing outreach and enforcement, housing mobility, place-based strategies, etc., along with the contributing factors and corresponding programs to address these issues. However, these are programmatic requirements, not fair housing issues. The element does list some fair housing issues on pages 128-129. The element should be revised to consistently summarize the City's fair housing issues as a result of the analysis and list programs and contributing factors that relate to those specific issues.

Contributing Factors to Fair Housing Issues: The element lists several contributing factors to each fair housing issues; however, includes no analysis or discussion on how those factors contributed to the fair housing issue. For example, the element listed lack of private investments in specific neighborhoods contributed to disparities in access to opportunity; however, the element should discuss which neighborhoods experienced disinvestment; why did they experience disinvestment, for how long, and how did that contribute to issues in access to opportunity.

Metrics and Milestones: All programs targeting and addressing fair housing issues must include metrics to measure program effectiveness throughout the planning period, and milestones to target meaningful outcomes in the planning period. Additionally, several programs aimed at addressing the City's fair housing issues include specific actions that the City will take but indicates that implementation will be "ongoing." For example, Program 4.2 – Affirmative Marketing Strategies commits the City to establishing a one-stop shop for accessing resources; however, provides no timeline for when that action will be completed. For each action listed in several of the programs listed, the element should include a definitive timeline for when the action will be completed.

Strategies and Actions: Programs and actions must significantly seek to overcome contributing factors to fair housing issues. While the element included some programs to enhance housing mobility and mitigate displacement risks, the element must include and/or strengthen programs related to promoting new housing opportunities in areas of high opportunity and implementing place-based strategies to encourage community preservation and revitalization. Additionally, the analysis indicated that the City is concentrating majority of its RHNA sites in the center of the City where there are several overlapping fair housing issues including low resourced census tracts, , concentration of lower income households, and less positive economic outcomes. While the City has stated that the center of the City is an ideal place to locate RHNA sites due to access to services and future transit lines, the element does need to tailor place-based strategies to that area. The element mentioned that the City has a specific plan, environmental justice programs, and actions in the safety element that address fair housing issues in this specific area. To use these programs, the element should list out the specific actions, implementation timelines, and metrics to target AFFH outcomes.

2. *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).)*

Housing Stock Condition: While the element analyzed the age of the housing stock and quantified the number of units lacking plumbing or kitchen facilities (p.56), it must estimate the number of units in need of major rehabilitation or replacement.

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).)*

The City has a regional housing need allocation (RHNA) of 7,805 housing units, of which 3,157 are for lower-income households. To address this need, the element relies on vacant and nonvacant sites, specific plan areas, and pipeline projects. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Sites Inventory: While the element includes an inventory of sites with various factors such as size and zoning (App. B), it must also include the number of units that can be realistically accommodated and the affordability level of the units on a site-by-site basis.

City-Owned Sites: Per conversations with staff, it appears that some of the sites in the inventory are owned by the City. The element must identify which sites are city owned and include an analysis addressing general plan designations, allowable densities, support for residential capacity assumptions, existing uses and any known conditions that preclude development in the planning period. The analysis could also include the potential schedule for development and any actions to facilitate development on these sites. Actions can include streamlining and assistance in facilitating approvals, marketing sites including issuing annual RFPs, outreach with developers, and developing and providing incentives.

If zoning does not currently allow residential uses at appropriate densities, then the element must include programs to rezone sites pursuant to Government Code section 65583.2, subdivisions (h) and (i). In addition, the housing element must include a description of whether there are any plans to sell the property during the planning period and how the jurisdiction will comply with the Surplus Land Act Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

Zoning for Lower-Income RHNA: The element indicates that several sites existing zoning does not permit densities that are appropriate for lower-income households (p. 188 and 195). Therefore, the City has proposed to implement a housing opportunity overlay zone to permit densities of up to 30 du/ac. However, the housing element does not include a program committing to adopting the overlay. Based on this information, the element demonstrates that zoning is not in place to permit and approve projects at the densities identified in the inventory and therefore the element must include a program to commit to adopting the zoning changes. Additionally, for sites that are expected to accommodate the City's lower-income RHNA, programs must commit to housing element rezone requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i).

Realistic Capacity: The element is assuming 85 -100 percent buildout of the maximum density on sites in the inventory; however, it must provide support for these assumptions. For example, the element should demonstrate what specific trends, factors, and other evidence led to the assumptions. The estimate of the number of units that can realistically be accommodated 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 in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

Suitability of Nonvacant Sites: The element relies on nonvacant sites to accommodate a portion of its RHNA. The analysis stated that the City considered various factors when determining sites suitable for development. First, the element identified improvement to land value (ILV) ratio as one indicator to identifying appropriate sites. The element should specifically state the minimum ILV considered to determine redevelopment potential. Additionally, the element stated that sites with buildings built prior to 1990 were considered; however, the inventory lists sites with building age from 2003-2018. The analysis should clearly list out which factors were relied on when identifying sites and ensure they are consistent with the sites in the inventory. Lastly, the element lists additional factors considered including declining uses, interest from owners or developers, COVID-impacted uses, etc., (p. 185). The element needs to describe why and how these factors demonstrate that these sites are suitable for development. The element could do this by examining current trends of redevelopment and listing past projects that reflect the factors being used.

For your information, if the element is relying upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. As part of the resolution to adopt the housing element, the City must make findings based on substantial evidence that the use is likely to be discontinued pursuant to Government Code section 65583.2, subdivision (g)(2).

Large and Small Sites: The element identifies several large sites ranging from 13-36 acres and small sites. While it is unclear whether those sites are being used to accommodate housing for lower-income households, sites smaller than half acre in size and larger than ten acres are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower-income housing units as projected for the site. Additionally, the element can describe other evidence that the site is adequate to accommodate lower-income housing (Gov. Code, § 65583.2, subd. (c)(2)(A).). For example, the element can include past projects approved at similar sizes for similar affordability levels, strong programs or policies that encourage lot consolidation or lot splits, common ownership trends, etc.,

Harvest Landing Specific Plan: The element is relying on the Harvest Landing Specific Plan to accommodate a portion of the City's RHNA. While the housing element indicates the Specific Plans' residential capacity and estimates the number of units by

income group, it does not provide any analysis demonstrating their suitability for development in the planning period or potential affordability. To utilize residential capacity in Specific Plans, the element must:

- Indicate whether suitable sites have approved or pending projects or are suitable for development in the planning period.
- If projects are approved or pending, describe the status of the project, including any necessary approvals or steps prior to development, development agreements, conditions, or requirements such as phasing or timing requirements that impact development in the planning period, and the affordability of the project's units based on anticipated rents, sales prices, or other mechanisms (e.g., financing, affordability restrictions) ensuring their affordability.
- For suitable sites without pending or approved projects, the element must list sites by parcel number or unique reference, size, general plan designation, zoning and include a calculation of the realistic capacity of each site and any requirements such as phasing or timing requirements that impact development in the planning period.

Accessory Dwelling Unit (ADU): The element is counting 20 ADUs per year for a total of 160 ADUs to accommodate a portion of its RHNA. The element provides no methodology and analysis for determining and supporting these projections. Additionally, the City's Annual Progress Reports (APR) show no records of ADUs permitted in 2018-2019 and only one ADU permitted in 2020. The City's past performance on permitting ADUs do not support a twenty-fold increase. The element should be updated to include a realistic estimate of the potential for ADUs and include strong policies and programs that commit to incentivizing ADUs. Additionally, while the element can use ADU applications to support projecting ADU production beyond what was actually permitted, it cannot solely rely on ADU applications to make projection assumptions. Depending on the analysis, the element must commit to monitor ADU production and affordability throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. If necessary, additional actions should be taken in a timely manner (e.g., within six months). The degree of additional actions should be in stride with the degree of the gap in production and affordability. For example, if actual production and affordability of ADUs is far from anticipated trends, then rezoning or something similar would be an appropriate action. If actual production and affordability is near anticipated trends, then measures like outreach and marketing might be more appropriate.

Infrastructure: While the element includes a statement that each site can be readily served with existing infrastructure (p. 198), it must analyze and demonstrate sufficient total water and sewer capacity, and access to dry utilities (existing and planned) to accommodate the regional housing need.

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.

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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7).*

Land Use Controls: While the element includes an overview of the City's land-use controls analysis should analyze land-use controls independently and cumulatively with other land-use controls. Additionally, the element states that the minimum lot size for a multifamily project in the Green Valley Specific Plan is ten acres, 25 acres in the New Perris Specific Plan and five acres in the Parkwest Specific Plan. The analysis should specifically address this requirement and impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints.

Local Processing and Permit Procedures: While the element includes information about processing times and permit approval process, it should provide additional analysis for multifamily projects. For example, the element states that all multifamily projects with five or more units are subject to review and approval by planning commission and subject to discretionary approval findings such as "adverse impact on nearby properties or uses." The element must specifically describe the Planning Commission approval process, including the number of hearings and approval findings and analyze any impacts on cost, supply, timing, and approval certainty.

On/Off Site Improvements: While the element has some information on on/off site improvements, the element must further identify subdivision level improvement requirements, such as minimum street widths (e.g., 40-foot minimum street width) and analyze their impact as potential constraints on housing supply and affordability.

Constraints on Housing for Persons with Disabilities: The element indicates that residential care facilities for seven or more persons and six or fewer are excluded from several zones within specific plan areas that allow single and multifamily homes. Additionally, the element states that residential care facilities severing seven or more are only conditionally permitted. For your information, excluding these uses from residential zones or subjecting the uses to conditional use permits (CUP) is generally considered a constraint and programs should be modified as appropriate with specific commitment to allow the use in residential zones with objectivity and certainty.

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

Local Ordinances: The element must specifically analyze locally adopted ordinances such as inclusionary ordinances or short-term rental ordinances that directly impact the cost and supply of residential development.

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).)*

Requests for Lower Density, Permit Times, and Efforts to Address Nongovernmental Constraints: The element must analyze (1) requests to develop housing at densities below those identified in the inventory, (2) the length of time between receiving approval for a housing development and submittal of an application for building permits, and (3) any local efforts to address or mitigate nongovernmental constraints such as reduced fees, financing for affordable housing or expedited processes. The analysis should address any hinderances on the construction of a locality's share of the regional housing need and programs should be added or modified 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).)*

Special Needs Households: While the element includes data and a general discussion of housing challenges faced by special needs households, it still must provide an analysis of the existing needs and resources for each special needs group including seniors, female-headed households, and extremely low-income households (ELI). For example, the element should discuss the existing resources to meet housing needs (availability of shelter beds, number of large units, number of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps.

Farmworkers: While the element includes some data on farmworkers, it should specifically quantify the number of permanent and seasonal farmworkers at the County level (i.e., USDA data) to better understand the broader and unique housing needs of farmworkers.

7. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next ten years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)*

In the City's inventory of affordable housing stock, San Jacinto Vista II apartment complex is listed as permanent affordable housing (Table 5-23). However, HCD's records indicate that affordability restrictions on this project will expire by 2028 and is potentially at-risk of converting to market rate within the next ten years. The element must include an assessment of conversion risk estimate and analyze the cost for replacing versus preserving the units and identify qualified entities to assist with maintaining its affordability.

C. Housing Programs

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 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, the element should be revised as follows:

Shortfall of Sites: While the jurisdiction identified implementing an overlay zone to allow for high-density housing to address the RHNA, the element appears to acknowledge that the zoning is not currently in place to permit densities appropriate for lower-income housing. If so, the City must address a shortfall of sites to accommodate the RHNA for lower-income households.

For example, if a shortfall exists, the element must include a program to specifically commit to acreage, allowable densities, and anticipated units. In addition, to accommodate the housing needs of lower-income households, the program should specifically commit to rezoning pursuant to Government Code section 65583.2, subdivisions (h) and (i). Specifically, the program must commit to:

- permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income

- households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval;
- accommodate a minimum of 16 units per site;
- require a minimum density of 16/20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
 - allow 100 percent residential use, and
 - require residential use occupy 50 percent of the total floor area of a mixed-use project.

Previously Identified Nonvacant and Vacant Sites: If nonvacant sites identified in a prior adopted housing element or vacant sites identified in two or more consecutive planning periods, the sites are inadequate to accommodate housing for lower-income households unless:

- The site's current zoning is appropriate for the development of housing affordable to lower-income households by either including analysis or meeting the appropriate density. See Gov.Code section 65583.2, subdivision (c)(3), and
- The site is subject to a housing element program that requires rezoning within three years of the beginning of the planning period to allow residential use by- right for housing developments in which at least 20 percent of the units are affordable to lower-income households. (Gov. Code, § 65583.2, subd. (c).).

Proposed Housing Overlay: The element states that the City will implement an overlay to increase densities. If the element is proposing an overlay where the underlying zoning allows for nonresidential uses, the element should include a program that commits to sufficient incentives (beyond State Density Bonus Law) to assure the intended residential uses and affordability.

Program 3.6 – Zoning Code Updates to Address Housing for Special Needs

Households: This program must also commit to updating the zoning code to comply with Health and Safety Codes Section 17021.6 and 17021.8.

2. *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 Finding(s) B4 and B5, the element requires a complete analysis of potential governmental and nongovernmental 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.

Program 4.5 – Housing Units for Large Families: This program includes an action to update the City’s definition of family; however, the program timing is listed as “ongoing.” The program should include a definitive timeline for each action.

3. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)*

Program 1.4 – Monitor Existing Affordable Housing Units: As noted in Finding B7 the City has units at risk of converting in the next ten years. While the program commits to monitoring, the element must be revised to include specific and proactive actions to preserve the at-risk units. For example, the program could include supporting applications by nonprofits for funding to purchase at-risk units, strengthening relationships with qualified entities and proactively reaching out, and consider pursuing funding on at least an annual basis. Additionally, this program must commit to complying with noticing requirements within three years, twelve months, and six months of the affordability expiration date.

4. *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).)*

Action 3.4 – Accessory Dwelling Units: While the element includes a program to update the City’s ADU ordinance, it should also commit to actions that incentivizes or promotes ADU development for very low-, low-, and moderate-income households. This can take the form of flexible zoning requirements, development standards, or processing and fee incentives that facilitate the creation of ADUs, such as reduced parking requirements, fee waivers and more. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department.

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).)

The element must include quantified objectives for number of housing units that will be conserved/preserved for each income category (e.g., lower, moderate, and above-moderate). Conservation objectives may include the variety of strategies employed by

the City to promote tenant stability, code enforcement and repair programs that conserve the housing stock, and the preservation of units at-risk of conversion to market rate.

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 description of the public participation process, the element should also describe how comments were considered and incorporated into the element.

HCD understands the City made the housing element available to the public only two weeks prior to HCD submittal on October 10, 2021. By not providing an opportunity for the public to review and comment on a draft of the element without sufficient time, in advance of submission, the City has not yet complied with statutory mandates to make a diligent effort to encourage the public participation in the development of the element and it reduces HCD's ability to consider public comments in its review. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including revising the document where appropriate. HCD's future review will consider the extent to which the revised element documents how the City solicited, considered, and addressed public comments in the element. The City's consideration of public comments must not be limited by HCD's findings in this review letter.