DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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December 28, 2022

John Kearns, Principal Planner Department of Development Services City of Suisun City, 701 Civic Center Blvd, Suisun. CA 94585

Dear John Kearns:

RE: City of Suisun City's 6th Cycle (2023-2031) Draft Housing Element

Thank you for submitting the City of Suisun's (City) draft housing element received for review on October 4, 2022, along with revisions received on December 28, 2022. 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 conversation on December 7, 2022, with you, City staff, and consultant Cynthia Walsh. In addition, HCD considered comments from David Kellogg, pursuant to Government Code Section 65585, subdivision (c).

The draft element with revisions addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code), 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).)

Unaccommodated Need and Shortfall of Sites from Prior Planning Periods: As noted on page 11, the City had an unaccommodated need and shortfall of sites from the 4th and 5th cycle of the housing element. The element notes that rezoning was completed but should describe how all requirements were met or include new programs to address any gaps in meeting requirements. Specifically, the element should clearly describe how the 4th and 5th cycle needs were met with sites at appropriate densities, size and other suitability and availability factors. Currently, the element only discusses how the 5th cycle total capacity was met and does not discuss the capacity added to accommodate the 4th cycle unaccommodated need. The element should also discuss the suitability and availability of the sites, lack of programs implemented to facilitate availability, including consolidation, how all by right requirements were met pursuant to Government Code section 65583.2, subdivisions (h) and (i) and add or modify programs, as appropriate.

Special Housing Needs: The element must provide an evaluation of the cumulative 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) and revise programs as appropriate. Currently, the element makes brief mention of a few accomplishments that do not appear related to special housing needs and then provides little to no evaluation of progress or effectiveness of programs related to special housing needs. Instead, the element should evaluate the specific efforts or lack of efforts to address special housing needs to better formulate appropriate programs. For example, the element could discuss the results, success or lack of, challenges and opportunities from outreach, coordination, application for funding, incentives or other activities and then discuss potential strategies.

 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).)

The element includes a quantification of housing needs, including special needs for the Solano County area. While HCD applauds the collaboration and broader efforts to address housing needs and this quantification is generally adequate, the element should also analyze the quantification to better understand housing needs and formulate appropriate policies and programs. Further, this analysis should be specific to Suisun City. An analysis should generally 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, extremely low-income households and all special needs households. The City may consider a community specific profile to address this requirement. For more information, please see the Building Blocks at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks.

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 that could not be accommodated on sites identified in the inventory... (Gov. Code, § 65583, subd. (c)(1).)

Progress toward the Regional Housing Need Allocation (RHNA): The element may utilize pending, approved, permitted and under construction projects toward the RHNA. However, the element must demonstrate their availability and affordability. While the element lists pending and approved projects (Table 7) toward the above moderate-income RHNA, it should also demonstrate their availability in the planning period. Availability should account for the likelihood of project completion in the planning period and should address the status, necessary steps to issue permits, any barriers to development and other relevant factors.

Realistic Capacity: While the element lists realistic residential capacity assumptions in mixed-use zones (50 percent of maximum allowable densities), it must also account for the likelihood of 100 percent nonresidential development. For example, the element could analyze all development activity in these mixed-use zones, how often residential development occurs and adjust residential capacity calculations, policies, and programs accordingly. This analysis may incorporate any proposed policies such as residential performance standards, prohibition of commercial uses and should clarify that all zones allow residential uses, particularly 100 percent residential uses.

<u>Environmental Constraints</u>: While the element notes there are no environmental constraints on identified sites, it should also discuss whether there are any other known constraints that will preclude development on identified sites (e.g., shape, contamination, easements, conditions, compatibility). For example, the element should provide a discussion on possible contaminants near identified sites in the City's Waterfront Specific Plan (WFSP) and additional policies and programs should be incorporated in addition to transitional buffers implemented by Program 5.A.

<u>Electronic Sites Inventory</u>: Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. 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. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Zoning for a Variety of Housing Types (Emergency Shelters): While the element describes emergency shelters are permitted by-right in most residential zones and the Commercial Services and Fabricating (CSF) zone, it should clarify that emergency shelters are permitted without discretionary action. In addition, the element mentions two vacant sites in these zones but should also discuss reuse opportunities, particularly in the CSF zone, to demonstrate sufficient and suitable capacity to accommodate the need for emergency shelters.

<u>Programs</u>: As noted above, the element does not include a complete site analysis. Depending upon the results of that analysis, the City may need to add or revise programs.

3. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including....site improvements....and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)

An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including....requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2... (Gov. Code, § 65583, subd. (a)(6).)

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).)

<u>Local Processing and Permit Procedures</u>: The element discusses preconsultation meetings and a program to establish objective standards. However, the element should analyze all approvals necessary for a typical multifamily and single-family development that complies with zoning and the general plan. The analysis should address approval body, typical number of hearings and approval

findings. The analysis should address impacts on housing cost, timing, feasibility and approval certainty.

In addition, the element states that the City's Planned Unit Development (PUD) process is mandatory for all development within the Waterfront Specific Plan (p. 78). Noting the strong reliance of sites within the WFSP, (51 percent), the element must describe and analyze approval procedures and decision-making criteria for impacts on housing cost, timing, feasibility and approval certainty. Lastly, the element should provide policies and programs to address constraints resulting from the lack of potential transparency and predictability of this process.

Finally, the element should discuss compliance with permit streamlining act and California Environmental Quality Act streamlining and add or modify programs as appropriate.

On/Off Site Improvements: While the element identifies subdivision level improvement requirements, such as minimum street widths (p. 76), it should still analyze site improvements for impacts on housing costs and supply (number of units).

<u>Permit Times</u>: The element must analyze the length of time between receiving approval for a housing development and submittal of an application for building permits. The element mentions the length of time between project approval in many cases is determined by the applicant (p. 80). However, the element should still quantify the length of time. Based on the length of time, the element should analyze any hinderances on the construction of a locality's share of the regional housing need and add or modify programs as appropriate.

<u>Programs</u>: As noted above, 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.

In addition, the element includes Program 4.A (Remove Constraints) to monitor parking requirement and make changes if appropriate. However, the element describes that multifamily parking requirements for studio and smaller one-bedroom units are constraints and increase costs for affordable housing. As a result, Program 4.A should include specific commitment to address multifamily parking requirements for studio and smaller one-bedroom units as a constraint. For example, the Program could commit to reduce parking requirements regardless of monitoring or future potential determinations.

4. 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).)

The element should include specific commitment to address the needs of farmworkers. For example, the element could commit to proactive actions to coordinate with nonprofit developers, employers, and other related organizations, to explore funding and incentives and to identify specific development opportunities.

5. 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).)

The element includes various affirmatively furthering fair housing (AFFH) actions and provides "High Resource" targeting on various programs. While programs generally benefit from this geographic targeting, according to TCAC/HCD maps, the City does not have designated areas of "higher resource." Instead, the element should target neighborhoods of areas of relatively higher median income such as Montebello, Peterson Ranch, and Quail Glen South. The element should re-evaluate key programs relative to these specific neighborhoods for the purposes of AFFH, including promoting housing mobility and new housing choices and affordability in these areas. Finally, the element should consider additional place-based strategies toward community revitalization in relatively lower income areas. HCD will send sample programs under a separate cover.

6. Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).)

The element (p. 53) indicates a minimal number of recently permitted accessory dwelling units but then assumes 12 ADUs over the planning period based on additional funding and marketing of resources. However, Program 1.H should commit to actions beyond amending the ordinance in compliance with state law and posting educational materials on the website. For example, the Program could commit to applying for funding, building partnerships, proactively marketing the program (e.g., community events, flyers, educational seminars) and incentives and waivers beyond state law.

7. 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 described various efforts to achieve public participation in the preparation of the housing element update, including comments received, it should discuss how those comments were incorporated into the element. In a few cases, the element briefly and generically states programs were revised but the linkage between comments and program revisions is not apparent and the element should include a discussion of how comments were considered and incorporated into the element, beyond a generic statement that programs were revised.

In addition, 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, including local neighborhood groups, 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.

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.

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 (January 31, 2023), then any rezoning to make prior identified sites available or accommodate the RHNA pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c), shall be completed no later than one year from the statutory deadline. 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 any necessary 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 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 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/quidelines.html.

HCD appreciates the responsiveness and dedication of the City's housing element team 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 Irvin Saldana, of our staff, at Irvin.Saldana@hcd.ca.gov.

Sincerely,

Paul McDougall

Senior Program Manager