DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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August 12, 2021

Benjamin Moody, Director Development Services Department City of Yuba City 1201 Civic Center Boulevard, Yuba City, CA 95993

Dear Benjamin Moody:

RE: Review of City of Yuba City's 6th Cycle (2021-2029) Revised Draft Housing Element

Thank you for submitting the City of Yuba City's (City) draft housing element received for review on June 15, 2021 along with revisions received July 31, 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 July 28, 2021 with Assistant Planner Ashley Potočnik and the City's consultants Nicole West and Jennifer Gastelum.

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

1. 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 incomelevel, 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 completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of 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).)

Specific/Master Plan Areas: The element may utilize residential capacity in specific plans to accommodate the regional housing need allocation (RHNA) but should account for the number of units realistically anticipated to occur in the planning period. For example, if a specific plan has an anticipated build out horizon of 20 years, the number of units should be adjusted for the eight-year planning period. In most cases, the element either discounts the number of units or demonstrates the specific plan capacity is reasonable within the planning period. However, the element should include additional discussion for the El Margarita Master Plan. For example, the element states the development timeline for this master plan depends on when a proposal is received from a developer but should also discuss the anticipated timeline or build-out horizon and adjust capacity assumptions if appropriate.

<u>Unaccommodated Need</u>: The element includes Program H-C-7 to address a shortfall of adequate sites and unaccommodated need from the prior planning period. Government Code section 65584.09 requires the unaccommodated housing need to be addressed (rezoned) within the first year of the new planning period. For your information, while Program H-C-7 commits to rezone sites by May 15, 2022 (first year of the planning period), if a year lapses without completion of the committed rezoning, the element will no longer meet this statutory requirement.

Emergency Shelters: Zoning for emergency shelters may impose sufficient parking to accommodate all staff provided the standards do not exceed parking requirements for other residential or commercial uses within the zone. The element describes off street parking for emergency shelters is imposed at a ratio of one space per six beds plus parking for staff. These parking provisions appear in excess of parking for staff, and as a result, the element should include a program to address the constraint.

<u>Programs</u>: As noted in the findings above, the element does not contain a complete sites inventory and analysis. 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.

Promote and affirmatively further fair housing (AFFH) 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 protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)

<u>Goals, Priorities, Metrics, and Milestones</u>: While the element includes some programs to AFFH, actions must be significant and meaningful enough to overcome

identified patterns and trends. Specifically, the element should add place-based strategies for community preservation and revitalization and displacement protection. For example, the element could reflect or amend the Central City Specific Plan to comprehensively improve infrastructure and community amenities and promote equitable quality of life. Program H-A-4 could be targeted to areas of concentrated poverty. Program H-C-3 could be expanded to address displacement in vulnerable areas. Program H-D-6 could be expanded to explore integrated housing opportunities. Further, actions must have metrics and milestones as appropriate and geared toward AFFH.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate.

As a reminder, the City's 6th cycle housing element was due May 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.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of May 15, 2021 for Sacramento Area Council of Governments (SACOG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit our website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375 final100413.pdf.

For your information, 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/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. 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.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility 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 pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and dedication of the housing element update team in preparation of the City's housing element and looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact Irvin Saldana, of our staff, at Irvin.Saldana@hcd.ca.gov.

Sincerely,

Shannan West

Land Use & Planning Unit Chief