DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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October 24, 2023

Keri Cobb, Director Planning Division City of Wasco 764 E Street Wasco, CA 93280

Dear Keri Cobb:

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

Thank you for submitting the City of Wasco's (City) draft housing element update received for review on July 26, 2023. 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 conversations on September 11, 2023, September 26, 2023, and September 28, 2023 with you, Evelyn Murillo, Assistant Planner; and your consultants, Jason Wasmund, Malia Durand, Cameron Lukos, and Cali Hildebrand. In addition, HCD considered comments from David Kellogg, pursuant to Government Code section 65585, subdivision (c).

The draft 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.

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. 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 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/guidelines.html.

HCD appreciates the hard work and dedication you, your staff, and your consultants provided in preparation of the City's housing element and looks forward to working with the City toward a compliant housing element. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at shawn.danino@hcd.ca.gov.

Sincerely,

Paul McDougall

Senior Program Manager

Enclosure

APPENDIX CITY OF WASCO

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 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).)

As part of the review of programs in the past cycle, the element must provide an evaluation of the cumulative 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).

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).)

Outreach and Enforcement: While the element generally describes the City partners with the Kern County Fair Housing Coordinator, it should discuss the effectiveness of that partnership in terms of outreach and addressing complaints to better formulate policies and programs. Further, the element should evaluate the number and characteristics of complaints in the City as well as compliance with state and federal fair housing laws, including any past lawsuits, consent decrees or other related fair housing legal matters. For more information, please see HCD's Affirmatively Furthering Fair Housing (AFFH) Guidance (starting on p. 29) at https://www.hcd.ca.gov/community-development/affh/docs/AFFH_Document_Final_4-27-2021.pdf.

Racially and Ethnically Concentrated Areas of Poverty(R/ECAP): The element identifies an area of High Segregation and Poverty and should include specific analysis to understand the conditions of the area relative to other areas and better formulate appropriate policies and programs. For example, the analysis should discuss demographics (e.g., income, housing types, housing age), housing conditions, neighborhood conditions, infrastructure, access to opportunities (e.g., parks, schools, amenities, community facilities and programs, transportation mobility, safe route to schools) and compare those conditions to other areas of the City, including newer master planned areas.

<u>Disproportionate Housing Needs, Including Displacement Risk</u>: The element includes some general information on persons experiencing homelessness and housing conditions but should also evaluate those needs, impacts and patterns within the City, such as areas of higher need. For homelessness, the element should examine patterns of need or areas with higher concentrations of persons experiencing homelessness, including access to transportation and services. For housing conditions, the element should discuss any areas of potentially higher needs of rehabilitation and replacement. 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 AFFH Data Viewer available at https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing.

Identified Sites and AFFH: The analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. An analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). The element should also discuss whether the distribution of sites improves or exacerbates conditions. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., anti-displacement and place-based community revitalization strategies).

Local Data and Knowledge and Other Relevant Factors: The City consists of only a few census tracts and these boundaries do not coincide with the City boundaries which can complicate the AFFH analysis when only using federal and state data. Further and as a result, in many cases, the analysis of patterns and trends is minimal or absent. The element must supplement the state and federal data with local data and knowledge and other relevant factors to complete an analysis and better evaluate patterns and trends. For example, local data and knowledge can include information from City staff such as code enforcement officials, city engineers. This information can also include service providers, past planning documents, past assessments of need in funding applications,

County analysis of impediments and, particularly, could be based on focused outreach on fair housing issues. Other relevant factors can include demographics, governmental and nongovernmental actions, historical land use and zoning practices (e.g., past redlining/Greenlining, restrictive covenants, planning documents, etc.), disparities in investment to specific communities including transportation investments, seeking investment or lack thereof to promote affordability and inclusion, local initiatives, or other information that may have impeded housing choices and mobility.

<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 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).)

<u>Housing Conditions</u>: The element provides some information on age of the housing stock (pp. 56-59). However, it must estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable organizations. For additional information, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml.

Special Housing Needs (Farmworkers): While the element includes data on farmworkers from the Census, this data is generally a significant undercount. In addition, the element should utilize County level data available through the United States Department of Agriculture, Agricultural Census and can also obtain useful information from the Office of Education regarding student programs. In addition, the analysis should address trends, characteristics, disproportionate needs, effectiveness of resources and strategies, magnitude of the housing need, including disproportionate housing need and the effectiveness of past policies, programs, and funding to help address those gaps. The analysis may utilize past farmworker housing studies and other studies generally applicable to their special housing needs. For example, the element could utilize a recent study conducted by University California at Merced that is available at https://clc.ucmerced.edu/sites/clc.ucmerced.edu/files/page/documents/fwhs_report_2.2.2 383.pdf. Based on the outcomes of the analysis, the element should add or modify programs to address this special housing need in the region.

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 relies on a sites inventory that includes all vacant sites and assumes 70 percent of the maximum allowable density to meet the City's regional housing needs (p. 75). However, the element should demonstrate what specific trends, factors, and other evidence led to the assumptions. The estimate of the number of units 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.

<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.

Zoning for a Variety of Housing Types (Single-Room Occupancies (SRO)): The element broadly describes its requirements on permitting SROs (p. 105). However, the current zoning code only allows SROs in the C-D zone with a Conditional Use Permit (CUP). The City states that SROs are allowed in the Professional Office (C-O) zone and the Central District (C-D) zone, but only shows allowance in the C-D zone in Table 5-4, describing allowed residential uses by zone. Therefore, the City should clarify which zones SROs are permitted consistently throughout the document. Given the City's strategy to encourage these naturally affordable housing units, it should clarify which zones SROs will be permitted during the planning period, how development standards will encourage the use and add or modify the programs, as appropriate. Furthermore, the City should analyze its described development standards for permitting SROs as a possible constraint and ensure objectivity and approval certainty in its criteria.

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).)

<u>Permit Processing and Procedures</u>: While the element describes the Site Plan and Design Review process, it should also list and evaluate approval findings and any other

relevant information. The analysis should address impacts on housing cost, supply, timing and, particularly, approval certainty.

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.

<u>Persons with Disabilities</u>: The element describes its definition of family and reasonable accommodation procedures, as well as its programs to allow group homes of less than six persons by-right (p. 108). However, the element should analyze these provisions as potential constraints on housing for persons with disabilities, as follows:

- Reasonable Accommodation: The element should analyze the impacts of approval findings, particularly findings related to impacts on surrounding uses and add or modify programs as appropriate.
- Family Definition: The element should list and analyze the family definition, including any impacts on the number of persons and unrelated persons.
- Group Homes: The element should evaluate excluding these uses from some residential zones and particularly evaluate requiring a CUP for group homes for seven or more person and add or modify programs to address identified constraints.
- 5. An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including.....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... (Gov. Code, § 65583, subd. (a)(6).)

<u>Permit Approval Times</u>: The element broadly describes why an application for a building permit may be delayed (p. 128). However, to better inform the analysis and policies and programs, the element must identify the actual length of time between receiving approval for housing development and submittal of application for building permits and discuss any hindrances on construction.

C. <u>Housing Programs</u>

1. Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element... (Gov. Code, § 65583, subd. (c).)

To have a beneficial impact and achieve the goals of the housing elements, programs should have specific commitment, discrete timing (e.g., at least annually) and where applicable, increased numerical objectives. Several programs and actions lack specific commitment and discrete timelines, and some actions should increase numerical objectives and include timelines that should be moved earlier in the planning period to ensure a beneficial impact, as follows:

- Earlier Timing: Examples of actions that should have earlier dates include Program H-1 (Rezone previously Identified Sites, targeted for end of 2026), Program H-3 (Grant Applications, Completed by 2031), Program H-6 (Development Standards, revise by end of 2025), and Program H-15 (ADUs, encourage by end of 2025).
- Discrete Timing: Examples of actions that should have discrete timing include Program H-5 (Infrastructure Improvements), Program H-14 (At Risk Units), and Action 14.1 (Funding for Homeowners).
- Numerical Objectives: Several actions are either missing numerical objectives or have objectives or numerical targets that should be increased in stride with the level of need in the jurisdiction. Examples include, but are not limited to, Program H-3 (Grant Applications), Program H-6 (Residential Development Standards), Program H-12 (Housing Rehabilitation), Program H-13 (Housing Maintenance), and Program H-15 (ADUs).
- Specific Commitment: Some actions in the element lack specific commitments and should be amended. Actions in this section should avoid language that does not make a clear and firm commitment, such as "consider", "support", "evaluate and address", "study," and "explore". These include, but are not limited to, Program H-3 (Affordable Housing Program Inventory), Program H-4 (Partnership and Nonprofit Assistance), Program H-5 (Infrastructure Improvements), Program H-6 (Residential Development Standards), H-12 (Housing Rehabilitation), and Program H-15 (ADUs). Program H-6 could make significant revisions to facilitate smaller housing typologies that meet the needs of lower income residents. In addition, the City could make a firm commitment to establish smaller unit typologies outside of Accessory Dwelling Units (ADUs) that will increase housing opportunities across income categories.
- 2. 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.

- 3. 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).)
 - As noted in Finding B1, the element must complete an analysis of farmworker housing needs. Given that 32 percent of the City's workforce are farmworkers, based on the outcomes of a complete analysis, the element should add <u>specific</u> actions to assist in development of housing, address constraints, conserve and improve the existing housing stock and promote fair housing opportunities for farmworkers. Further, the City's policies and programs should commit to additional actions and more frequently identifying development and conservation and improvement opportunities (e.g., at least annually).
- 4. 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 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.
- 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).)
 - As noted in Finding B1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. Programs to AFFH should go beyond status quo actions and should be significant and meaningful to promote inclusive and equitable communities. Programs should include specific commitment, timing, geographic targeting and metrics or numerical targets and should, as appropriate, address housing mobility, encourage new housing choices in higher resource areas, improve place-based strategies toward

community revitalization and protect existing residents from displacement.

The element should describe its strategy to address overcrowding and cost burden and outline new housing typologies that will increase the availability of affordable units. The element may, for example, commit to additional programs to promote housing mobility (not limited to the RHNA), enhance place-based strategies toward community revitalization. The element may also, for example, describe efforts to reduce Vehicle Miles Traveled and facilitate a mix of residential commercial uses, potentially by allowing for Accessory Commercial Uses. Finally, the element should commit to assessing and revising programs through a mid-cycle review. Please see HCD's AFFH memo for more information: https://www.hcd.ca.gov/community-development/affh/docs/affh document final 4-27-2021.pdf#page=23.

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 provides a summary of quantified objectives (Table 6-1). These objectives include new construction and conservation objectives by income group. However, the element should include goals to rehabilitate a certain number of housing units (currently zero), preserve existing affordable housing, and consider additional conservation objectives. Conservation objectives may include a variety of strategies employed by the City to promote tenant stability, conserve the existing housing stock, and preserve units atrisk of conversion to market rate uses.

E. Public Participation

Local governments shall make a diligent effort to achieve public participation oof all 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 City broadly describes its efforts to reach the public (p. 147), it should also further discuss how input was incorporated into the housing element. Furthermore, the City should employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts. For additional information, see the Building Blocks at https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/public-participation.