

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

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August 8, 2023

Christian Murdock, Planning Director
Planning Department
City of Pacifica
540 Crespi Drive, Address
Pacifica, CA 94044

Dear Christian Murdock

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

Thank you for submitting the City of Pacifica's (City) draft housing element received for review on May 10, 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 a site visit and conversations with you and your staff on July 7 and 27, 2023. In addition, HCD considered comments from Summer Lee, John Keener, CKS Environmental, Toll Brothers, YIMBY Law, Galla Bradshaw, Jan Turner, Nancy Tierner, David Kellogg, Jeffrey E. Sinder, Remi Tan and Suzanne Moore, 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.

As a reminder, the City's 6th cycle housing element was due January 31, 2023. 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), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), sites to make prior identified sites available or accommodate the regional housing needs allocation (RHNA) must 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). 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 all necessary rezones are completed pursuant to Government Code section 65583, subdivision (c)(1)(A) and Government Code section 65583.2, subdivision (c).

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. 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 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 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>.

We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Sohab Mehmood, of our staff, at sohab.mehmood@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF PACIFICA

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 <https://www.hcd.ca.gov/planning-and-community-development/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks> 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).)*

Enforcement: While the element included an evaluation of local and regional patterns, trends, and enforcement capacity, it must also identify and address past or current fair housing lawsuits, findings, settlements, judgements, or complaints. For additional information, please see pages 28-30 on HCD's Affirmatively Furthering Fair Housing (AFFH) Guidance Memo at https://www.hcd.ca.gov/community-development/affh/docs/AFFH_Document_Final_4-27-2021.pdf.

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 data and a general discussion of housing challenges faced by special needs households. However, the element must be revised to include an analysis

of the existing needs and resources for each special need group including seniors, farmworkers, large households, and persons with disabilities including developmental disabilities and extremely low-income (ELI) households. 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.

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).)*

Progress in Meeting the Regional Housing Need Allocation (RHNA): As you know, the City's RHNA may be reduced by the number of new units built since July 1, 2022. However, the element must demonstrate the availability of these units in the planning period. First, it is unclear how many units the City is counting as credit towards the RHNA. For example, the element analyzes several potential projects equating 232 units (Table F-5); however, Table F-7 only reflects credit for 139 units. The element should reconcile these numbers and accurately reflect the number of units as credit towards the RHNA. Second, while the element provided some general information regarding each project's status, it should still demonstrate the likelihood that these units will be built during the planning period. To demonstrate the availability of these units, the element could analyze infrastructure schedules, City's past completion rates on pipeline projects, outreach with project developers, describe any expiration dates on entitlements, anticipated timelines for final approvals, and any remaining steps for projects to receive final entitlements. Based on a complete analysis, the element may need to add or modify programs committing to facilitating and encouraging the development of these projects.

Realistic Capacity:

- *General* – The element is generally assuming 80 percent of maximum allowable densities to calculate residential capacity on identified sites. Further, the element includes examples of recent projects that have developed between 25-100 percent of the maximum allowable density with an average density of 81 percent (Table F-4). The element should analyze projects including information on typical densities on all recent and pipeline projects, the zone, acreage, built density, allowable density, level of affordability, outliers from the assumed densities and presence of exceptions such as a density bonus. Further, the element should analyze and evaluate this data to support its realistic capacity calculations.
- *AB 2011 Capacity Assumptions* – The element is assuming additional capacity on sites that will be rezoned during the planning period beyond the projected densities that will be allowed once the rezoning is completed. Specifically, the element assumes additional capacity pursuant to AB 2011 (Statutes of 2022) which allows sites and projects that meet specific criteria to qualify for additional

densities and ministerial approvals. However, for the element to utilize AB 2011 capacity assumptions, the City must demonstrate the likelihood that the sites and potential projects will qualify to utilize the provisions of AB 2011. The element should include local examples of sites redeveloping with qualifications similar to those required under AB 2011. Alternatively, the element could commit to rezoning to similar densities allowed under AB 2011 (60 units per acre) as a method to utilizing these capacity assumptions. Based on a complete analysis, the element may need to adjust capacity assumptions and include or modify programs committing to rezoning to appropriate densities.

- *Sites in Zones that Allow 100 Percent Nonresidential Uses* – The element identifies sites in zones that allow nonresidential uses. The element must analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow 100 percent nonresidential uses. This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/analysis-sites-and-zoning>.

Site Size: The element identifies several sites at less than a half-acre to accommodate the lower-income RHNA. These sites are not eligible absent a demonstration that sites of equivalent size and affordability were successfully developed during the prior planning period or unless other evidence is provided. The inventory indicates that some of the sites would be consolidated; however, the element should provide an analysis demonstrating the potential for lot consolidation. For example, the analysis could describe the City's role or track record in facilitating small-lot consolidation; policies or incentives offered or proposed to encourage and facilitate lot consolidation, conditions rendering parcels suitable and ready for lot consolidation; or information from the owners of each aggregated site.

Suitability of Nonvacant Sites: The element is utilizing nonvacant sites to accommodate a portion of the RHNA. However, the element must demonstrate the potential for additional development. The methodology for demonstrating additional development on nonvacant sites must discuss existing uses, development trends, and policies and programs to encourage additional residential development. For example, the element indicates several factors that may have been utilized when demonstrating the likelihood for redevelopment including the degree of underutilization based on the current build out of the site, age of existing uses, vacancies, and other trends (p. F-15). However, the element must provide support for these assumptions including analyzing and discussing how these factors are indicative of redevelopment potential. Second, the element should relate these factors to the actual sites and quantify where possible (e.g., age of building, current vs. allowed floor area ratio (FAR), etc.). Based on a complete analysis the element may need to add or revise programs to facilitate redevelopment.

Additionally, to provide sufficient capacity for the RHNA during the planning period and as part of identifying sites with potential for development, the element should consider

public comments received regarding the inclusion of sites from property owners written interest in residential development in the planning period.

Finally, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the City must make findings based on substantial evidence, the existing uses will be presumed to impede additional residential development. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution), the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Publicly-Identified Sites: The element identifies several publicly-identified sites to accommodate a portion of the RHNA including school district and City-Owned sites. The element must include an analysis addressing address general plan designations, allowable densities, support for residential capacity assumptions, existing uses, and any known conditions that preclude development in the planning period and the potential schedule for development. For example, the element should evaluate public comments and other information to evaluate the likelihood of redevelopment of these sites during the planning period. 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).

CalTrans Sites: The element identifies multiple CalTrans sites to accommodate a portion of the RHNA. The element should include additional information to determine that these sites will be available for residential development with the appropriate zoning and densities during the planning period. Additionally, the element should include a commitment to the decertification of any applicable Caltrans sites within three years from the start of the planning period and alternative actions if this does not occur (e.g., identify additional adequate sites) by January 31, 2026.

Availability of Zoning: The element indicates that several sites that do not have appropriate zoning or densities to accommodate the RHNA (p. 12). As such, the element shows a shortfall of 1,039 units including 510 units for lower-income households. While the element includes programs committing to rezoning sites (Program 1-1 General Plan and Zoning Amendments), because zoning was not in place at the start of the planning period (January 31, 2023), the element must include a program committing to housing element rezone requirements pursuant to Government Code section 65583.2 (h) and (i). As part of these rezoning requirements, the element must commit to establishing a minimum density of 20 units per acre (Gov. Code 65583.2 (h)). Please see the programs section of this review for additional information.

AB 725: For jurisdictions that are considered Metropolitan, the element must identify at least 25 percent of the remaining moderate and above-moderate RHNA on sites that

allow at least four units of housing (e.g., four plex or greater) (Gov. Code, § 65583.2, subd. (c)(4)).

Availability of Infrastructure: The element states that “nearly” all housing sites have the most efficient infrastructure except two areas that will need additional analysis and that may impact the design and timing of the development (p. G-30). Additionally, the element indicates that potential infrastructure constraints related to water pump stations, among other things, may impact a projects ability to reach maximum capacity. First, the element must specifically indicate if total infrastructure capacity (existing and planned) is available to accommodate the RHNA. Second, the element must include a program committing to actions and a timeline to make sufficient infrastructure available to accommodate the RHNA.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* Zoning to permit emergency shelters without discretionary action was required as part of the 4th cycle housing element and prior to the 5th cycle housing element. The element states that the City’s zoning regulations does not address emergency shelters (p. G-16) and the City will include a program committing to comply with Government Code section 65583, subdivision (a)(4).). Further, the City provided additional documentation indicating that the City’s definition of special care facilities includes people experiencing homelessness and is permitted by-right for six or fewer persons. However, the City does not explicitly address emergency shelters and only allows by-right approvals for similar uses in limited circumstances (e.g., six or fewer persons). Additionally, because zoning for emergency shelters was supposed to be completed two planning periods ago and the time to identify appropriate zoning has lapsed, HCD cannot find the element in compliance until the appropriate zoning to permit emergency shelters without discretionary action is demonstrated or completed. For additional information, please see <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/zoning-variety-of-housing-types>.

As part of implementing zoning changes to permit emergency shelters without discretion, the City should address compliance with parking standards pursuant to Government Code section 65583, subdivision (a)(4)(A) and additional requirements regarding zoning, capacity and habitability pursuant to Chapter 654, Statutes of 2022 (AB 2339). For additional information and timing requirements, please see HCD’s memo at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf>.

- *Transitional and Supportive Housing:* Transitional housing and supportive housing must be permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).). The element notes that the City does not currently address supportive and transitional housing and includes Program HE 1-14 (State and Federal Law

Conformance) committing to address this housing type. However, the Program should be revised to amend zoning that specifically commits to permitting these housing types as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone pursuant to Government Code Section 65583 (a)(5).

- *Accessory Dwelling Units (ADUs)*: After a cursory review of the City's ordinance, HCD discovered several areas which were not consistent with State ADU Law. This includes, but is not limited to, definition of site, minimum landscaping requirements, parking, and subjective standards, among others. HCD will provide a complete listing of ADU non-compliance issues under a separate cover. As a result, the element should add a program to update the City's ADU ordinance in order to comply with state law. For more information, please consult HCD's ADU Guidebook, published in December 2022, which provides detailed information on new state requirements surrounding ADU development: <https://www.hcd.ca.gov/sites/default/files/2022-07/ADUHandbookUpdate.pdf>.
- *Single-Room Occupancy (SRO) Units*: The element indicates that SROs are defined as a boardinghouse that includes lodging and meals. SROs provide a valuable source of affordable housing especially for persons experiencing homelessness and extremely low-income households. The element should analyze any occupancy standards, length of stay, and whether SROs are permitted as a residential use under the current definition. Based on complete analysis, the element may need to add or modify programs with a commitment to removing any potential constraints on the development of SROs. For additional information, please see: <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/zoning-variety-of-housing-types>.

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).)*

Land Use Controls (Parking): The element notes that one-bedroom multifamily units are required to provide 1.5 spaces per unit, including one garage or carport space (p. G-11). Requiring smaller bedroom types (e.g., one-bedroom units) to provide 1.5 parking spaces is considered a constraint. Additionally, the element must analyze covered parking requirements for impacts on cost, supply, housing choices, affordability and achieving maximum densities. The element must include a program committing to reducing parking requirements for smaller bedroom types (e.g., one space per one-bedroom unit).

Fees and Exaction: The element some general information regarding fees including total amount of fees and their proportion to the development costs for both single family and multifamily housing. However, a complete analysis must include a listing of all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis and tables, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/fees-and-exactions>.

Local Processing and Permit Procedures:

- *Multifamily Housing* – The element indicates that multifamily housing is required to obtain a Site Development Permit and listed the required approval findings (p. G-23) illustrating constraints for multifamily development. For example, the approval findings require multifamily housing to meet several subjective criteria related to impacts on surrounding uses and character of the neighborhood. The approval findings also indicates that the applicant must meet both the City’s subjective findings in addition to the City’s design guidelines. Secondly, the element notes that 1) clustered housing including zero lot line projects and condominiums and 2) multifamily and mixed-use development in commercial zones are required to obtain both a Site Development and Conditional Use permits (CUP). However, several of the required CUP findings are similar to the site development permit findings. Lastly, the analysis noted that a typical multifamily project has a 9–24 month approval timeline (pg. G-22). The analysis demonstrated that 1) multifamily housing is subjected to a highly discretionary process with subjective findings and minimal guidance to promote certainty and objectivity 2) the City subjects some multifamily housing and other housing types to two types of processes that are subjective and potentially redundant of each other and 3) multifamily housing is subjected to a lengthy approval process. The element must include or modify a program addressing and removing or modifying the Site Development Plan and CUP (beyond objective standards) for multifamily housing in zones that are intended to permit multifamily housing (e.g., residential).
- *Planned Development (PD)* – The element described the general process for projects in the PD zoning, indicating that this process is highly discretionary (p. G-22). However, the analysis should clearly explain whether PDs are optional or required for areas intended for residential uses and whether there are established development standards prior to the approval of the PD. If the PD is mandatory in areas intended for residential uses without fixed development standards, the element should specifically evaluate these requirements for impacts on cost, supply, feasibility, and approval certainty of housing. Based on a complete analysis, the element may need to add or modify programs to address any potential constraints.

- *Permit Streamlining Act (PSA) and CEQA* – The element should address public comments on this draft submittal and discuss compliance with the Permit Streamlining Act and intersections with CEQA and timing requirements, including streamlining determinations and add or modify programs as appropriate.

Inclusionary Housing: The element generally mentions the City’s inclusionary zoning ordinance, but it must also analyze the City’s inclusionary housing requirements, including its impacts as potential constraints on the development of housing for all income levels. The analysis should evaluate the inclusionary broader policy’s implementation framework, including the percentage of new residential construction that is dedicated to affordable housing, the types of options and incentives offered, relationships with State Density Bonus Law (SDBL) and any other factors that may impact housing costs.

On/Off-Site Improvements: The element must 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. For additional information and a sample analysis, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/codes-and-enforcement-and-onsite-offsite-improvement-standards>.

Constraints on Housing for Persons with Disabilities:

- *Reasonable Accommodation* –The element briefly describes its reasonable accommodation procedures (p. G-16). However, the element should also describe the process and decision-making criteria such as approval findings and analyze any potential constraints on housing for persons with disabilities. Additionally, HCD understands that the City must make findings that the request would not cause impacts on surrounding uses and coastal zone resources. In addition to describing the reasonable accommodation process and listing the required approval findings, the element must analyze these findings for potential constraints on persons with disabilities. Based on a complete analysis, the element may need to add or modify programs to remove any potential constraints.
- *Group Homes of Seven or More Persons* – The element notes that the City defines group homes for seven or more persons as a “special care facility” and that this use is subject to a discretionary use permit and must comply with a 500-foot spacing requirements. For your information, zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations such as the number of persons, population types and licenses. These housing types should not be excluded from residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Requiring these housing types to obtain a special use or CUP could potentially subject housing for persons with

disabilities to higher discretionary standards where an applicant must demonstrate compatibility with the neighborhood, unlike other residential uses.

As such, the element must include a program removing the spacing requirements and commit to allowing these uses in any zone that permits residential uses and only subject to those restrictions that apply to similar residential uses. Please see HCD's for more info <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>.

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).)*

The element must analyze the length of time between receiving approval for a housing development and submittal of an application for building permits, and 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 existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 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).)*

The element indicates the City has 101 affordable units with expiring affordability restrictions within the next eight years (e.g., 2025). The element must include an assessment of conversion risk and estimate and analyze the cost for replacing versus preserving the units. For more information on the analysis, please visit:

<https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/assisted-housing-developments-risk-conversion>.

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: As noted above, because zoning was not in place at the start of the planning period, the City is showing a shortfall of 1,039 units including 510 units for lower-income households. While the element included Program 1-1 (General Plan and Zoning Amendments) committing to rezoning to allow residential uses at appropriate densities to accommodate the RHNA, programs to address the lower-income RHNA must specifically commit to rezoning pursuant to Government Code sections 65583, subdivision (c)(1) and 65583.2, subdivisions (h) and (i). Examples of requirements include permitting, without discretionary action, multifamily developments in which 20 percent or more of the units are affordable to lower-income households, requiring minimum densities and residential performance standards. For more information, please see HCD's site inventory guidance memo: https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf.

Additionally, since the City failed to adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), all rezones to accommodate the RHNA must be completed no later than one year from the statutory deadline. As such, Program 1-1 (General Plan and Zoning Amendments) to accommodate a shortfall and rezones to address prior identified sites must be completed no later than one year from the statutory deadline.

Program HE-1-4 (Accessory Dwelling Units (ADUs)): This Program commits to various actions to facilitate the development of ADUs. However, given the City's reliance on ADUs, the element must include a commitment to adjusting projected assumptions if the number of units and affordability do not actualize during the planning period. Specifically, 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 the element must commit to amending the housing element, identifying additional sites, and rezoning within a timely manner (e.g., within six months).

Publicly Identified Sites: While the element included Program 1-1 (General Plan and Zoning Amendments) and 1-3 (Public Land Planning), these programs may need to be revised based on a complete sites analysis (see above finding). Additionally, while these programs commit to outreach and issuing requests for proposals (RFP), actions need to be revised with additional actions, firm commitments, discrete timelines, and quantifiable metrics. The element should also include specific actions, as needed, to making the Caltrans sites available during the planning period. Additional actions to facilitate development should include commitments to compliance with the Surplus Land Act, annual outreach with developers, rezoning and financial assistance, issuing requests for proposals, facilitating any subsequent entitlements, and numerical objectives by affordability.

2. *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 includes general commitments to addressing various special needs populations. However, given the importance of farmworkers and the local and regional needs, the element must include specific actions to addressing this population. Examples of actions could include proactive outreach with developers and the community, identifying potential sites, provide incentives (e.g., expedited permitting, flexible development standards, gap funding, fee waivers), and applying for state and federal funding.

3. *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 Findings 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.

In addition, Program HE 1-2 (Zoning and Streamlining) identifies various changes to development standards and other process to the facilitate development of housing. However, several of the actions state that the City “will consider” addressing and implementing including increasing heights, reducing parking, modifying densities standards, changes to the City’s definition of family, etc., Given the importance and need of several of these actions, the element should be revised to affirmatively commit to these changes.

4. *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).)*

Goals, Priorities, Metrics, and Milestones: 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, metrics, and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. Additionally, quantified metrics that target beneficial impacts for people, households, and neighborhoods (e.g., number of people or households assisted, number of housing units built, number of parks or infrastructure projects completed). Lastly, the City is considered a majority

racially and concentrated area of affluence (RCAA). Therefore, the element must include significant and meaningful programs (beyond the RHNA) that target RCAA and relatively higher income neighborhoods to enhance housing mobility and provide housing choices and affordability throughout the City.

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).)

While the element includes quantified objectives for new construction, it currently targets no objectives for housing rehabilitation and should be revised accordingly. In addition, the element could increase its housing conservation and preservation objectives accordingly. For your information, conservation objectives may include the variety of strategies employed by the City to promote tenant stability, code enforcement, naturally affordable housing, and the preservation of units at-risk of conversion to market rate use.

E. Consistency with General Plan

Coastal localities shall document the number of low- and moderate-income units converted or demolished, and the number of replacement units provided. (Gov. Code, § 65588, subd. (d).)

The element analyzes the housing stock in the coastal zone. Specifically, the element stated that 57 housing units were demolished within the coastal zone between 2015-2022 due to an emergency natural disaster. In conversations with the City, it was noted that the City was not able to identify the number of lower-income renters in these units due to the emergency and that the owner generally did not maintain the property including complying with building codes. Furthermore, the City noted that while these units were not deed-restricted, anecdotal information indicates that there were a number of lower- and moderate -income households living in these units. The element should include a program committing to actions that preserve coastal housing units for lower-and moderate-income households. This Program could commit to annual monitoring, commitment to complying with replacement requirements and proactive noticing and outreach to non-profits and service providers in the event that future coastal housing is at-risk.