

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

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December 12, 2022

Juliana Lucchesi, Director
Planning Department
City of Yreka
701 Fourth Street
Yreka, CA 96097

Dear Juliana Lucchesi:

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

Thank you for submitting the City of Yreka's (City) draft housing element received for review on September 13, 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 November 29, 2022 with yourself and consultants Vanessa Blodgett and Michelle Nielsen.

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

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 (February 15, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). 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 these rezones are completed.

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 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 dedication yourself and consultants Vanessa Blodgett and Michelle Nielsen provided 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 Anthony Errichetto, of our staff, at Anthony.Errichetto@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF YREKA

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/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/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).)

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

Enforcement and Outreach: The element should describe whether general housing element outreach included outreach for fair housing, and the capacity for fair housing outreach throughout the planning period. Additionally, the element should describe whether any lawsuits or actions have resulted from discrimination complaints and address compliance with existing fair housing laws.

Integration and Segregation: While the element includes some data on segregation and integration, a complete analysis of race should analyze the area identified with the largest concentration of nonwhite residents in the City. In addition, the element must include a regional analysis of disability, income, and familial status by relating conditions in the City to the regional level. The analysis should also describe what contributes to the concentration of lower-income households and female-headed households in identified areas. The analysis should complement state and federal data with local data and knowledge and other relevant factors as part of this analysis.

Disparities in Access to Opportunity: While the element includes data on disparities in access to opportunity, it should analyze the data and identified differences in scores within the City related to access to educational, economic, environmental, and public transit opportunities. In addition, the element must include a regional analysis on disparities in access to opportunity to all factors (i.e., economic, education, environment, and transit). The analysis should complement state and federal data with local data and knowledge and other relevant factors as part of this analysis.

Disproportionate Housing Needs Including Displacement: While the element includes data on disproportionate needs, it should analyze whether there are any local concentrations of overcrowding, cost burden, and substandard housing as well as provide a regional analysis for each. In addition, the element must include a local and regional analysis of homelessness. While the element identified an area vulnerable to displacement, it must also provide an analysis. Lastly, the element must include a regional analysis for displacement as well as analyze any displacement risk due to disaster (e.g., fire, flood, and earthquake). The analysis should complement state and federal data with local data and knowledge and other relevant factors as part of this analysis.

Contributing Factors: The element identifies many contributing factors to fair housing issues but must prioritize these factors to better formulate policies and programs and carry out meaningful actions to Affirmatively Furthering Fair Housing (AFFH).

2. *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).)*

Extremely Low-Income (ELI) Households: While the element quantifies existing ELI households, it must also analyze their housing needs. The analysis of ELI housing needs could consider tenure, overpayment, overcrowding, resources and the effectiveness of past strategies and the magnitude of housing need.

3. *The analysis shall determine whether the inventory can provide for a variety of types of housing, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing, and whether the inventory affirmatively furthers fair housing. (Gov. Code, § 65583.2, subd. (c))*

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* While the element notes over 400 acres of land zoned M-1 that can permit emergency shelters without discretionary action, it should also analyze the suitability of that acreage. Specifically, the element should evaluate typical parcel sizes and whether those sizes are appropriate to accommodate a shelter, especially given the City's bed limit. In addition, the element should evaluate any reuse or redevelopment opportunities for shelters, proximity to

public transportation and services as well as whether such locations are fit for human habitation (e.g., free of hazards, etc.).

- *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, JADUs and lot coverages. 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 within a year of receiving the separate cover.

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).)*

Local Processing and Permit Procedures: While the element includes information about processing times, it should also describe the procedures for a typical single and multifamily development that conforms with zoning. The analysis should describe the decision-making body (e.g., staff, planning commission), any public hearing and if so, the typical number of hearings, design review requirements and approval findings and analyze impacts on housing cost, supply, timing, and approval certainty. Based on the analysis, the element should add or modify programs to address identified constraints.

SB 35 Streamlined Ministerial Approval Process: The element must clarify whether there are written procedures for the SB 35 (Chapter 366, Statutes of 2017) Streamlined Ministerial Approval Process and add a program to address these requirements.

Constraints on Housing for Persons with Disabilities: While the element indicates the City's definition of family is broad and includes various living situations, several provisions appear to be potential constraints. For example, group homes are limited to the Community Care Facilities Act. Second, ambiguous provisions such as "...common bond by means of blood, marriage, or conscientiously established relations living..." could act as a constraint on housing for persons with disabilities. The element should include a program to address these constraints and replace or modify the definition of family.

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... 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).)*

Developed Densities: The element must be revised to analyze requests to develop housing at densities below those anticipated in the sites inventory, including hinderance on the construction of a locality's share of the regional housing need.

6. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)*

Special Housing Needs: While the element quantifies and analyzes many of the City's special needs populations, it must analyze the housing needs of seniors. In addition, the element includes a homeless count for the County, but must also include an estimate and analysis of persons experiencing homelessness within the City. Lastly, the element states there is not a need for farmworker housing within the City. However, farmworkers from the broader area and those employed seasonally may have housing needs, including within the City's boundaries. As a result, the element should at least acknowledge the housing needs of permanent and seasonal farmworkers at a county-level (e.g., using USDA county-level farmworker data) and include programs as appropriate.

C. Housing Programs

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 address have a beneficial impact in the planning period and achieve the goals and objectives of the housing element, programs must have specific commitment to housing outcomes and discrete timelines (e.g., at least annually or January 2025). Examples of programs that should be revised include:

- *Programs HE 1.3.4 (Workforce and Affordable Housing), HE 3.2.1 (Fair Housing Laws), HE 5.1.1 (Technical Assistance for Homeowners), and HE 6.1.1 (Fair Housing Information)*: The programs should be revised to include proactive outreach throughout the planning period (e.g., at least annually) such as a variety of methods such as community events, workshops and direct contact with developers and property owners.
- *Program HE 2.1.1 (City-Owned Properties)*: The program should clarify when properties will be made available once the inventory is complete.
- *Program HE 2.1.3 (Density Bonus)*: The program should include specific timing for Action 3. In addition, the density bonus update must be completed within one year of the start of the planning period.
- *Program HE 2.2.1 (Regional Housing Trust Fund)*: The program should clarify how often outreach will occur after project initiation.
- *Program HE 4.3.1 (Housing Conditions Survey)*: The program should include specific timing of how often the City will apply for funding in Action B.

- *Program HE 5.1.2 (State Program Funding)*: The program should include timing of how often the City will apply for funding.
 - *Program HE 6.1.3 (Collaborate with Housing Providers)*: The program should clarify whether the regulatory incentives are currently in place or when they will be implemented. In addition, the program should specify how often the City will apply for funding.
 - *Program HE 6.1.5 (Employee and Farmworker Housing)*: The program should also include specific timing of how often the City will monitor for changes and implement necessary revisions.
 - *Program HE 7.4.1 (Homelessness)*: The program should include specific timing of how often coordination will occur in Action 2 as well as how often the City will apply for funding.
2. *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 B4, 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).)*

The element must include a program(s) with specific actions and timelines to assist in the development of housing for ELI and all special needs households. The program(s) could commit the City to proactive and at least annual outreach and assistance to non-profit service providers and developers, adopting priority processing, assisting with funding and supporting funding applications, prioritizing funding, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to ELI households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers.

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... (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Findings B5 and B6, 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 7.2.1 (Group Homes) should be revised to also allow group homes for seven or more persons in lower density zones (e.g., R-A and R-1) similar to other residential uses.

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 must include a complete analysis of AFFH. The element must be revised to add goals and actions based on the outcomes of a complete analysis. 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, milestones, geographic targeting and metrics or numerical targets and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in higher opportunity areas, place-based strategies for community revitalization and displacement protection. In addition, the element should be revised as follows:

- Metrics and milestones with geographic targets should be included for actions identified in Program HE 3.1.1 (Affirmatively Further Fair Housing). The program should also include specific timing to implement each action.
- The element must include numeric metrics in the goals of Table B-1 (p. B-26) wherever possible. The element should also explain how AFFH outreach will be expanded in the action. Furthermore, the element should include specific timing (e.g., annually) to apply for infrastructure funding.

D. Water and Sewer Priority

Each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households. (Gov. Code, § 65589.7)

For your information, water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) The element should demonstrate compliance with this requirement and add or modify programs, if necessary.

E. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)

The element includes a general summary of the public participation process, including workshops, meetings and interviews. However, the element should also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. Moving forward, the City should expand public outreach efforts, including the use of translation services and could focus stakeholder interviews to organizations that represents lower-income and special needs households to address this requirement. In addition, the element should also summarize any new public comments as part of this effort and describe how they were considered and incorporated into the element.