

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

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



November 15, 2021

Brian Desatnik, Director
Development Services Department
City of Redlands
35 Cajon St.
Redlands, CA 92373

Dear Brian Desatnik:

RE: City of Redlands' 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Redlands' (City) draft housing element received for review on September 17, 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 conversation on November 12, 2021 with you, Catherine Lin (Principal Planner) and your consultants. In addition, HCD considered comments from Dennis Bell and Josh Albrekton pursuant to Government Code section 65585, subdivision (c).

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.

The City's statutory deadline to adopt a housing element was October 15, 2021. 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 this statutory deadline, then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall 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).

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.

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:

http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and
http://opr.ca.gov/docs/Final_6.26.15.pdf.

HCD appreciates the hard work and dedication Catherine Lin, Principal Planner, and your consultants provided during the housing element update. 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 Marisa Prasse, of our staff, at Marisa.Prasse@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF REDLANDS

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).)

The review of past programs should report progress in implementation and evaluate effectiveness of programs in achieving goals and objectives. In turn, future programs should be revised as appropriate to better achieve program goals. In many cases, programs were not implemented in the 5th cycle housing element, and others were done so after the dates stated in the programs. The element should discuss the lack of timely implementation and what will be done differently in the 6th cycle housing element. In other cases, the element does not evaluate the effectiveness of programs and as a result, the element should be revised. Examples of programs that need additional information and evaluation include, but are not limited to:

- *Program 7.2-11 (Assist with Foreclosure Prevention)*: Describe and evaluate how frequently the City updates the foreclosure prevention resources and how many homeowners were assisted by the program.
- *Program 7.4-12 (Threshold and Conditional Use Permit)*: Describe how the City evaluated the conditional use permit requirement and reached its conclusion that it has not been an impediment to multifamily development.
- *Program 7.5-4 (Senior and Handicapped Housing)*: Describe how many households were assisted under this use of CDBG funds.
- *Program 7.5-5 (CDBG Rental Rehabilitation)*: Describe how many households were assisted under this use of CDBG funds.
- *Program 7.6-1 (Buy-Out Assistance)*: Describe how the City implemented this program, what actions the City took, and how many units were assisted in the 5th cycle planning period.
- *Program 7.7-1 (Fair Housing Counseling)*: Describe how many households were assisted by fair housing counselling during the 5th cycle planning period.

In addition, 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). For more information, See HCD's Building Blocks at <https://www.hcd.ca.gov/community-development/building-blocks/getting-started/review-revise.shtml>.

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).)*

Integration and Segregation: The element includes information on segregation and integration at the local level for race/ethnicity, disability, familial status, and income; however, the regional analyses for race/ethnicity and income need improvement, and some of the conclusions do not reflect the data. The data presented in the Affirmatively Furthering Fair Housing (AFFH) analyses and Housing Needs Assessment (Table 2.1-3 on p. 8) do not support the element's conclusions that the difference between the City and County's proportions of non-white Hispanic populations is similar. In addition, the local analysis of segregation by income should be clearer about the north to south patterns and trends. Furthermore, the City is significantly more affluent than the County (Table 2.4-1 p. 16), with 14 percent more of the population in the above-moderate income category compared to the County, yet this is not adequately analyzed or stated. The element should adequately analyze patterns and trends of segregation and integration, include a comparison of the City to the region, and consider other data options such as Census median income by block group. The element's summary of integration and segregation fair housing issues should be revised to reflect the data and analyses.

Racial/Ethnic Concentrated Areas of Poverty (R/ECAP) and Affluence (RCAA): The element notes there are no R/ECAPs in the City. However, the City does have an area of High Segregation and Poverty according to TCAC/HCD Opportunity maps and should include specific analysis. The analysis should address trends, past and current efforts, including investment and their effectiveness, local data and knowledge, other relevant factors (as noted below), particularly relative to equitable quality of life, resources, and strategies to address any inequities in quality of life. The analysis should also consider any overlapping fair housing issues with other components of the assessment of fair housing (e.g., access to opportunity and disproportionate housing needs, including displacement). Furthermore, the element should analyze some of the census tracts that have significantly higher rates of white population and income as Racially Concentrated Areas of Affluence (RCAA). Adequate analyses of R/ECAPs and RCAAs will help guide goals and actions to address fair housing issues.

Disparities in Access to Opportunity: The element provides some information on access to opportunity for education, economic, transportation, and environmental, but it generally lacks analysis. The analysis of education opportunity should explain differences in school quality from neighborhood to neighborhood and include comparisons of the City to the

region for education, economic, transportation, and environmental opportunity. In addition, the analysis of environmental opportunity across neighborhoods should match the CalEnviroScreen data presented, which shows clear disparities between census tracts, and should analyze differences in environmental hazard exposure between census tracts. Please refer to page 35 of the AFFH guidebook (link: <https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance>) for specific factors that should be considered when analyzing access to opportunities as it pertains to educational, employment, environmental, transportation, and any factors that are unique to Redlands.

Disproportionate Housing Needs, Including Displacement: The element does include some information on overcrowded households, substandard housing conditions, homelessness, and cost-burdened households, but it must also analyze spatial trends of substandard housing conditions and homelessness. Furthermore, the displacement analysis should consider (1) any overlapping fair housing issues with other components of the assessment of fair housing (e.g., access to opportunity and disproportionate housing needs, including displacement), (2) displacement risk from environmental hazards such as flood zones, and (3) displacement risk of new transit investments and upzoning to existing low-income census tracts in the absence of substantial affordability and anti-displacement programs.

Local Data and Knowledge and Other Relevant Factors: The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Also, the element must include other relevant factors that contribute to fair housing issues in the jurisdiction. The element should analyze historical land use and investment practices or other information and demographic trends. While the element includes some information on the history of Redlands (pp. 215-216), it should also describe historic spatial patterns of segregation (ex: spatial patterns of racially restrictive covenants, historic patterns of where residents of different racial/ethnicity backgrounds lived, historic preservation districts, etc.), the environmental justice impacts of the siting of infrastructure and industrial uses, the City's history of anti-growth land use measures, and the lasting impacts of these actions.

Contributing Factors: The element must list and prioritize contributing factors to fair housing issues. While the element includes a list of 11 contributing factors, these factors should be prioritized based on the outcomes of a complete analysis. In addition, some of these contributing factors seem detached from the Assessment of Fair Housing analyses, while other salient fair housing issues identified in the Assessment of Fair Housing are missing from the list of contributing factors (e.g., North/South segregation by race/ethnicity and income, regional patterns of segregation by race/ethnicity and income, anti-growth and land use constraints). Finally, some contributing factors identified in the element lack adequately responsive programs (these include, but are not limited to displacement and increasing rents, community opposition).

Site Inventory: The element includes maps and graphs of the site inventory that indicate a further entrenchment of existing fair housing issues, and the site inventory is not

accompanied by adequate programs to ameliorate these impacts. Furthermore, some of the conclusions in the AFFH site inventory analysis do not reflect the data – the transit villages areas are not high opportunity areas according to the TCAC/HCD opportunity maps, but rather shown as areas of high segregation and poverty, low resource, or moderate resource. The analyses, such as Figure 7.3-5 RHNA Units and City Acreage Comparison by Non-White Population, should address RHNA units by income groups (lower, moderate, and above moderate). While the transit village areas will eventually provide better access to transit mobility options and represent an exciting transit-oriented development opportunity, the element should expand the analysis and list of sites to better formulate development opportunities, goals, actions, and metrics that will result in broader equitable quality of life throughout the community. In addition, the analysis of identified sites should address the significant lack of housing opportunities for lower-income households in the southern portion of the city that are proportionally whiter, more affluent, have significantly improved environmental quality of life, better performing schools, and score higher on the access to opportunity maps so to address fair housing issues and avoid an isolation of the RHNA.

Goals, Priorities, Metrics, and Milestones: The element must add or revise programs based on a complete analysis, listing, and prioritization of contributing factors to fair housing issues. Goals and actions must significantly seek to overcome contributing factors to fair housing issues and include metrics and milestones to target meaningful fair housing results. Currently, the element identifies programs to encourage and promote affordable housing; however, most of these programs do not appear to facilitate any meaningful change nor address AFFH requirements. Given that significant portions of the City are considered high-income/opportunity areas, and because Redlands is significantly whiter and wealthier than San Bernardino County, the element could focus on programs that enhance housing mobility and encourage development of more affordable housing choices in an inclusive manner throughout the community. Furthermore, the element must include programs with substantial place-based investments and protection against displacement in areas of high segregation and poverty. For more information, please see HCD's guidance at <https://www.hcd.ca.gov/community-development/affh/index.shtm>.

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 identifies the projected number of ELI households, it must still analyze their existing housing needs. This is particularly important given the unique and disproportionate needs of ELI households. For example, the element could analyze tenure, cost burden, overcrowding and other household characteristics then examine trends and the availability of resources to determine the magnitude of gaps in housing needs. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

3. *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).)*

Housing Conditions: The element quantifies the age of the housing stock and includes some information on housing characteristics such as lacking plumbing or kitchen facilities. However, it must also estimate the number of units in need of rehabilitation and replacement. For example, the analysis could utilize information from the housing element update survey (Appendix C), estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable organizations. This information could be analyzed geographically as part of the assessment of fair housing. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/housing-stock-characteristics.shtml>.

4. *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 RHNA: The RHNA may be reduced by the number of new units built, permitted, approved or pending since July 1, 2021. The element lists (p. 57) 80 units affordable to lower-income households but it should also demonstrate affordability based on actual or anticipated sales price, rents or other mechanism ensuring affordability (e.g., deed-restrictions).

Small Sites: For your information, sites below 0.5 acres are not deemed adequate to meet the lower-income RHNA absent analysis that development below 0.5 acres is appropriate to accommodate the lower-income housing need. Some of these small sites were utilized toward demonstrating adequate sites to accommodate the lower-income RHNA and should not be utilized for the purposes of meeting no net loss law pursuant to Government Code section 65863.

Accessory Dwelling Units (ADU): The element assumes 15 ADUs per year for a potential buildout of 120 units within the planning period. According to HCD records, the City has permitted an average of 10 units per year, less than the 15 units assumed in the element. The trends noted in the element appear inconsistent with HCD records and, further, are lower than the assumption of 15 ADUs per year. To support assumptions for ADUs in the planning period, the element should either reconsider assumptions, reconcile trends with HCD records or include additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate.

Infrastructure: The element must demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities to accommodate the City regional housing need for the planning period. (Gov.

Code, § 65583.2, subd. (b).) Furthermore, the element should address which sites may lack access to infrastructure, as p. 65 of the element states that some sites do not have existing infrastructure service. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental>.

Environmental Constraints: The element must describe environmental conditions within the city, relate those conditions to identified sites, and describe any other known environmental or other constraints that could impact housing development on identified sites in the planning period. This is particularly significant as it appears that the downtown and surrounding areas where a large share of development is planned, is subject to significant flood risk.

Electronic Sites Inventory Form: 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> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element should clarify if there are any spacing requirements and provide greater detail regarding development standards and whether they pose a constraint to the development of emergency shelters.
 - *Permanent Supportive Housing:* Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.
 - *Employee Housing:* Health and Safety Code section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Health and Safety Code section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. The element must demonstrate zoning in compliance with these requirements or include programs as appropriate.
5. *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).)*

Measure U: The element explains a few aspects of Measure U such as limits on density, heights, residential unit allocations and traffic levels of service. However, the element should include a complete analysis to better formulate a programmatic response to this severe constraint. For example, the element should discuss potential conflicts with state law, including housing element and state density bonus law. The element should also address the full range of options for exceeding limits in Measure U, timing and cost impacts of a 4/5th vote, including approval findings, any and all other limits on development and how the Measure relates particularly to rezoning sites and accommodating the RHNA. The analysis should address impact on housing cost, supply, fair housing choice throughout the city, affordability, timing and approval certainty. Based on the outcomes of this analysis, the element must revise programs.

Historic Preservation Measures: The element should provide greater detail and fully analyze the South Redlands Housing Conservation Overlay and the City Design and Preservation element processes mentioned on p. 93 as potential constraints to housing development for all income levels.

Processing and Permit Procedures: The element indicates that multifamily developments of 35 or more dwelling units are subject to a conditional use permit (CUP). The prior housing element had a program to address the CUP and 35-unit threshold as constraints. Instead, the City merely evaluated the requirement is not a constraint and appears to have eliminated the program. The element (p. 100) also concludes the requirement is not a constraint because multifamily has been approved recently and because the process is no different between rental and ownership development. However, recent multifamily approvals and treating developments the same are not necessarily indicators that these requirements are not constraints. A threshold of 35 units is a constraint and so is the potentially roving approval findings of "...the proposed development is appropriate at the proposed location." The element should include additional analysis of the threshold and approval findings for impacts on approval certainty, timing and cost and add or modify programs.

Building Codes and Their Enforcement: The element provides an overview of the building code, but it should also identify any local amendments to the building code and analyze impacts on the cost and supply of housing.

Streamlined Ministerial Approval Permit Procedures: The element should describe the City's SB 35 (Chapter 366, Statutes of 2017) streamlined ministerial approval procedure and application and include programs if appropriate.

Zoning, Development Standards, and Fees: The element must clarify its compliance with new transparency requirements for posting all zoning, development standards, and fees on the City's website and include programs if appropriate.

Constraints on Housing for Persons with Disabilities:

- *Definition of Family*: The element should describe any zoning code definition of a family and analyze as a potential constraint on housing for persons with disabilities.
- *Group Homes with Six or Fewer Persons*: The element describes that group homes for six or fewer persons are permitted in all residential zones. However, these provisions appear to be limited to group homes licensed by the state. Yet, the state does not license all community care facilities or group homes serving six or fewer persons. The element should either clarify that group homes without licenses are also allowed in all residential zones or include a program to address this constraint on housing for persons with disabilities.
- *Group Homes for Seven or More Persons*: The element subjects group homes for seven or more persons to a CUP and limits them to multifamily and agricultural zones, unlike other similar uses. While the element includes Program 1.2-5 to implement mitigating strategies, the element should specifically analyze these constraints for impacts on housing supply and choices, approval certainty and objectivity for housing for persons with disabilities and modify Program 1.2-5 as appropriate such as committing to allow these uses in all zones that allow residential uses.

6. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and 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. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

Developed Densities and Permit Times: The element must analyze requests to develop housing at densities below those anticipated in the sites inventory and the length of time between receiving approval for a housing development and submittal of an application for building permits. The analysis must address any hinderances on the construction of a locality's share of the regional housing need.

7. *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 some general quantification; however, the element should include analysis of households with special housing needs. The analysis should include, but is not limited to, factors such as trends, household income, tenure, housing types, zoning, and available resources. In addition:

- *Homelessness*: The element includes three different numbers for the 2020

Point-in-Time Count on pp. 51, 100, and 111. The element should clarify which is the correct, most recent Point-in-Time count and use consistently throughout the element. The element must quantify the total number of persons experiencing homelessness and analyze their special housing needs.

- *Farmworkers*: The element indicates there are farmworkers employed in fulltime farming occupations in Redlands. In addition, farmworkers from the broader area and those employed seasonally may have housing needs, including within the City's boundaries. The element should 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.

8. *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 states (p. 33) there may be additional projects, funded by the former Redlands Redevelopment Agency, at risk of conversion to market rate uses. If so, the element should identify these projects and include the required analysis. For additional information and sample analysis, see the *Building Blocks* at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/assisted-housing-developments.shtml> and for more information on identifying units at-risk, see the California Housing Partnership Corporation at <http://www.chpc.net>.

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 through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact in the planning period and address the goals of the housing element, programs must be revised with discrete timelines, objectives and specific and clear commitment to outcomes. Programs to be revised with discrete timelines (e.g., annually, Spring 2022) include, but are not limited to, Programs 1.1-7 (Development on Nonvacant Sites), 1.3-4 (Priority Water and Sewer Service), 1.3-6 (Outreach and Education), 1.5-10 (Non-profit Housing Development) and 1.6-1 (ADU Educational Campaign).

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 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. In addition, the element should be revised as follows:

- *Program 1.1-1 (RHNA Rezoning):* The Program should commit to a minimum acreage to be rezoned and meet all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i) such as permitting multifamily uses without discretionary action and residential only and affordability requirements.
 - *Program 1.1-2 (Transit Villages Specific Plan):* The Program should commit to allowable densities, acreages, anticipated units and to meet by right requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i) to the extent necessary.
 - *Program 1.3-1 (Surplus Lands):* The Program could consider a schedule of actions including commitment to facilitate development such as zoning, incentives and expediting permit procedures.
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) to assist in the development of housing affordable to lower-income households, including ELI and special needs households. This is particularly important given that the City only developed 1 very low-income unit during the 5th cycle planning period. Program actions could include prioritizing some funding for housing developments affordable to ELI households or households with special needs, offering financial incentives or regulatory concessions, expediting or streamlining permit procedures, reducing fees and leasing land.

For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

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 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, the element, including public comments, note several constraints that warrant programs. For example, the element concludes Measure U is a constraint as well as minimum lot sizes (p. 95). The City also received comments to establish quarterly meetings with builders (p. C-17). The element should include programs to address these issues. In addition, while Program 1.2-8 (Socio Economic Cost Benefit Studies) commits to objective standards, it should consider additional measures like removing the requirement or pursue a more comprehensive City initiated study and should include a mid-term evaluation of effectiveness with commitment to alternative actions within a certain time.

2022 Local Voter Initiative: HCD understands the Town Village Specific Plan is subject to a local voter initiative that, if approved, would essentially remove the City's strategy to accommodate the RHNA, including by income group. As a result, the element must include program actions with timelines related to the initiative including a commitment to immediately remedy any impacts on the City's adequate sites strategy or HCD may revoke housing element compliance pursuant to Government Code section 65585, subdivision (i).

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 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).)*

As noted in Finding B1, the element must include a complete analysis of AFFH. Based on the outcomes of that analysis, the element must add or modify programs to have specific commitment, milestones, and metrics to overcome fair housing issues and to enhance housing mobility strategies, encourage development of new affordable housing in high resource areas, improve place-based strategies, and protect residents from displacement.

6. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)*

The element identifies housing units at-risk of converting to market-rate and includes Program 1.4-1 to monitor the units to ensure tenants receive proper notifications. However, Program 1.4-1 must also commit to proactively coordinate with qualified entities, assist with funding or support funding applications and educate, support and assist tenants.

D. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved... (Gov. Code, § 65583, subd. (b)(1 & 2).)

The element must include quantified objectives estimating the number of housing units by income category that can be constructed, rehabilitated, and conserved in the planning period. This requirement could be addressed by utilizing a matrix like the one illustrated below:

Income	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low-			
Very Low-			
Low-			
Moderate-			
Above Moderate-			
TOTAL			

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)(8).)

While Appendix C summarizes many of the public comments and describes how they were considered and incorporated into the element, HCD urges the City to re-evaluate comments related to Measure U and other land use constraints, community opposition to denser housing types, and the appropriateness of some identified sites.

In addition, the element does not clarify whether a full draft element was available to the public before its submittal to HCD. On the call, City staff indicated it may have only been available for one week prior to submittal to HCD. By not providing adequate time for the public to review and comment on a draft of the element in advance of submission, the City has not yet complied with statutory mandates to make a diligent effort to encourage the public participation in the development of the element and it reduces HCD’s ability to consider public comments in its review. The availability of the document to the public and opportunity for public comment at least three to four weeks prior to submittal to HCD is essential to the public process and HCD’s review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including revising the document where appropriate. HCD’s future review will consider the extent to which the revised element documents how the City solicited, considered, and addressed public comments in the element. The City’s consideration of public comments must not be limited by HCD’s findings in this review letter.