

ATTACHMENT A

HCD review letter of February 21, 2023

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

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February 21, 2023

Steve Goggia, Director
Community Development Department
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

Dear Steve Goggia:

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

Thank you for submitting the City of Carpinteria's (City) draft housing element received for review on November 23, 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 February 2, 2023, with yourself and consultant John Douglas. In addition, HCD considered comments from Eddie Siegel, People's Self-Help Housing, and David Kellogg 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 these revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6th cycle housing element was due February 15, 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), 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 (RHNA) 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 meets 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 assistance of the City's housing element team provided during the course of our review. 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 Reid Miller, of our staff, at Reid.Miller@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF CARPINTERIA

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).)

A thorough program-by-program review is necessary to evaluate City's performance in addressing housing goals. As part of this analysis, the element should describe the actual results of the prior element's programs, compare those results to the objectives projected or planned, and based on an evaluation of any differences between what was planned versus achieved, provide a description of how the objectives and programs of the updated element incorporate changes resulting from the evaluation. While the element includes some information on the progress in implementation from the previous element, it must evaluate the effectiveness of programs and reflect the results in the current element. In addition, Table A-1 states that Program 14 (Inspection on Sale), and Program 15 (Rental Housing Inspection) have been discontinued, but offers no analysis as to the effectiveness or ineffectiveness of the programs, and how that informed the decision not to include them in the current element. Based on the outcomes of this evaluation, programs should be revised as appropriate.

As part of the review of programs in the past cycle, the element must also 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). Programs should be revised as appropriate to reflect the results of this evaluation.

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 currently describes services provided by the Santa Barbara Rental Housing Mediation Program (RHMP) and describes the number and characteristics of housing discrimination complaints, it must also describe capacity to provide enforcement and outreach which can consist of actions such as the ability to investigate or refer fair housing complaints, obtain remedies, or engage in fair housing testing. In addition, the analysis must address compliance with existing fair housing laws.

Outreach: The element describes outreach efforts for the broader housing element, but it should also incorporate outreach relative to affirmatively furthering fair housing.(AFFH) This outreach is particularly important to informing fair housing issues, contributing factors and appropriate goals and actions. Outreach should consider a variety of methods to gather input on the various components of the assessment of fair housing (e.g., segregation and integration, disparities in access to opportunity, disproportionate housing needs). For example, the outreach could specifically target fair housing organizations or neighborhoods with relatively concentrated poverty for input related to housing and community development needs and access to opportunities such as education and transportation. In addition, as the City has a high percentage of the community who is Spanish speakers, the element could include programs for outreach to this population.

Integration and Segregation: The element provided some data and mapping on integration and segregation across racial groups, disability, familial status and income by census tracts. However, the element must discuss and analyze this data for trends over time and patterns across census tracts, paying particular attention to geographic concentrations within the City and what might be contributing to these concentrations. Additionally, it must evaluate patterns on a regional basis, comparing the City to the region and surrounding jurisdictions.

Disparities in Access to Opportunity: The element provides information on the disparities in access to opportunity through the TCAC opportunity maps but must also provide a complete local and regional analysis of patterns and trends for all components. A comprehensive analysis should include the local and regional disparities of the educational, environmental, and economic scores through local, federal, and/or state data. It should also analyze persons with disabilities as well as access to transit. In addition, the element should analyze any overall patterns in disparities in access to opportunity within the City. The element should analyze access to transit throughout the City and whether there is access to protected classes. It should also analyze education and economic access both locally and regionally in relation to the provided maps. The maps display significant variation in economic scores throughout the City which must be analyzed. Lastly, the element must analyze the environmental data both local and regionally including describing what contributes to the varied scores.

Disproportionate Housing Needs including Displacement: While the revised element includes some information on all components of disproportionate housing needs (e.g., overpayment, overcrowding, substandard housing, and homelessness), analyses should evaluate the patterns and changes over time at a local (e.g., neighborhood to neighborhood) and regional level (e.g., city to region) for each of these components. The element must also provide an analysis of regional patterns and trends in relation to

displacement risk. The element should include a regional analysis for overpayment as well as analyze local concentrations of substandard housing. For overcrowding, the local analysis should include details on what contributes to overcrowding in certain areas of the City, how it relates to other fair housing factors, as well as a regional analysis. The analysis of persons experiencing homelessness should describe any demographics or characteristics for impacts on protected characteristics (e.g., race and disability) and access to shelter and services. Lastly, the element must analyze displacement risk both locally and regionally including displacement due to investment, disinvestment, and disaster driven displacement (i.e., fire, flood, and earthquake).

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): The element does not address this requirement. The element must identify and analyze sites throughout the community to foster inclusive communities and affirmatively further fair housing. For example, the analysis should address whether the identified sites improve or exacerbate each of the fair housing issue areas. For more information, See HCD's guidance at <https://www.hcd.ca.gov/planning-and-community-development/affirmatively-furthering-fair-housing>.

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, service providers and other planning documents or processes. Also, the element must include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element should analyze historical land use, zoning (e.g., lack of multifamily zoning), governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

Contributing Factors to Fair Housing Issues: The element mentions fair housing issues and goals and priorities. However, these issues and goals do not appear to be rooted in any analysis related to Carpinteria specifically and do not appear adequate to facilitate the formulation of meaningful action to AFFH. The element should re-assess contributing factors upon completion of analysis and make revisions as appropriate. In addition, the element should prioritize these factors to better formulate policies and programs and carry out meaningful actions to AFFH.

2. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).)*

Extremely Low-Income Households (ELI): While the element quantifies projected ELI households, it must also quantify the existing number of ELI households by tenure and analyze their housing needs.

Housing Costs: While the element includes some information on sales prices, Federal Census Data does not fully reflect market conditions, and the element should include additional data sources that are localized and more recent. For example, current market rents can be collected through a phone survey of properties within the jurisdictions, surveying rental magazines, or online searches for rent information, and/or through a survey of property management companies.

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 Needs Allocation (RHNA): The City's RHNA may be reduced by the number of new units built, approved, or pending since June 30, 2022. The element indicates (Table B-1) that 77 units affordable to above moderate income households have been built or are under construction or approved; however, the element must demonstrate their availability in the planning period. Availability should address the status, anticipated completion, any barriers to development and other relevant factors such as build out horizons, phasing, and dropout rates to demonstrate the availability or likelihood of development in the planning period.

Parcel Listing: The element must list parcels by various factors such as size, zoning, general plan designation, affordability, and existing use. Table B4 must be revised to list the parcel number and parcel size of each identified site, and Table B6 should be revised to provide the affordability levels for each site. Additionally, Table B-5 appears to assume a density bonus will be applied to Site 5, and this assumes a capacity of 32 dwelling units per acre. Unless this site is a pending or approved project, the table should revise its capacity assumptions for this site to reflect the underlying zoning, which is 20 dwelling units per acre.

Realistic Capacity: While the element provides a brief description of capacity and affordability assumption (p. B-1), it should include additional and clear supporting information on typical densities of existing or approved residential developments at a similar affordability level. For example, the element could clearly list other recent projects, the zone, acreage, built density, allowable density, level of affordability and presence of exceptions such as a density bonus. The estimate of the number of units for each site must be adjusted as necessary, based on the land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

In addition, the element appears to assume residential development on sites with zoning that allow 100 percent nonresidential uses. While the element mentions the overlay and incentives for residential development, it must still account for the likelihood of 100 percent non-residential uses. For example, the element could analyze all development activity in

these nonresidential zones, how often residential development occurs and adjust residential capacity calculation, policies and program accordingly.

Suitability of Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need for lower-income households, it provides no methodology or description of their potential for redevelopment. The element must describe the methodology used to determine the additional development potential within the planning period. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, and regulatory or other incentives or standards to encourage additional residential development on these sites. (Gov. Code, § 65583.2, subd. (g).)

In addition, the housing element appears to rely upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. For your information, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

Finally, if element utilizes sites with existing residential uses, absent a replacement housing policy, these sites are not adequate sites to accommodate lower-income households. The replacement housing policy has the same requirements as set forth in Government Code section 65915, subdivision (c) (3).

Small and Large Sites: Sites larger than ten acres in size or smaller than a half-acre in size are deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites are suitable to accommodate housing for lower-income households. Since the City relies on both large and small site to accommodate its RHNA, the element must provide specific examples of past development in the City on similar site, with the densities, affordability and, if applicable, circumstances leading to consolidation. The element should relate these examples to the sites identified to accommodate the RHNA for lower-income households to demonstrate that these sites can adequately accommodate the City's lower-income housing need. Based on a complete analysis, the City should consider adding or revising programs (e.g., Program 8) to include incentives for facilitating development on small and large sites.

Sites Identified in Prior Planning Periods: Sites identified in prior planning periods shall not be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within three years. The element should clarify if sites were identified in prior planning periods and if so, which sites and include a program if utilizing previously identified sites in the current planning period.

Accessory Dwelling Units (ADU): The element projects 160 ADUs over the planning period or approximately 20 ADUs per year over the eight-year planning period. Given that the City has permitted two ADUs in 2021, it is not clear if this production level will be achievable in the planning period. As a result, the element should be updated to include a realistic estimate of the potential for ADUs and include policies and programs that incentivize the production of ADUs. Depending on the analysis, the element must commit to monitor ADU production throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. In addition to monitoring production, this program should also monitor affordability. Additional actions, if necessary, should be taken in a timely manner (e.g., within six months). Finally, if necessary, 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 rezoning or something similar would be an appropriate action. If actual production and affordability is near anticipated trends, then measures like outreach and marketing might be more appropriate.

Availability of Infrastructure: The element includes some discussion on water and sewer providers in the City (p. III-26). However, it must also clarify whether sufficient total water and sewer capacity (existing and planned) can accommodate the regional housing need and include programs if necessary.

Environmental Constraints: While the element generally describes a few environmental conditions within the City (p. II-26), it must describe how these conditions relate to identified sites including any other known environmental or other constraints within the City that could impact housing development in the planning period.

Electronic Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types:

- *Emergency Shelter Capacity*: Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. 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>.
- *By-Right 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 these requirements and include programs as appropriate.

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: The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address requirements related to parking, heights, lot or building coverage and limits on allowable densities. For example, the element states that three-story buildings are allowed in zones that have a thirty-foot height limit, but offer no analysis demonstrating how this is realistically feasible. In addition, the element should analyze maximum building coverage and front and rear setbacks in the R overlay, PUD, and Planned Residential Development zones and whether they are a constraint or add a program as appropriate. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities and include programs to address identified constraints

R-Residential Overlay: The element relies on sites in commercial and industrial zones that allow residential through the Residential Overlay. While some information was provided on how the overlay allows residential uses, the element must include a complete description and analysis of the Overlay, including a breakdown of affordability requirements if applicable.

Fees and Exaction: The element must describe all required fees for single family and multifamily housing development (e.g., impact fees, environmental fees, rezoning fees, general plan change fees, annexation fees, etc.), and analyze their impact as potential constraints on housing supply and affordability. For example, the analysis should identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing. 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>.

Processing and Permit Procedures: While the element includes information about Planned Unit Development (PUD) standards, it should also describe standards for a Conditional Use Permit (CUP) and development Plan, along with processing times and procedures for a typical single family and multifamily development under each process. The analysis should address the approval body (e.g., Coastal Commission), the number of public hearing if any, approval findings and any other relevant information. The analysis should address impacts on housing cost, supply, timing and approval certainty. For example, the element should identify and analyze approval findings for impacts on approval certainty,

the presence of processes or guidelines to promote certainty and add or modify programs as appropriate.

Additionally, while the element states the entire City is located (p. I-24) within the Coastal Zone, the element should describe coastal zone regulations and an analysis of whether the City coastal preservation policies will potentially impact future or existing housing development within the designated coastal zone of the City especially for sites that require rezoning identified in Table B6.

Building Codes and Enforcement: The element must describe and analyze which building code is enforced, any local amendments to the building code and their enforcement for impacts 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: The City's zoning code appears to isolate and regulate various types of housing for persons with disabilities based on the number of people and other factors. Examples include residential care facilities, group homes and sober living homes for six or fewer persons or seven or more persons. First, 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. Second, these housing types are excluded from some residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Finally, these housing types in many cases are subject to a special use or CUP potentially subjecting housing for persons with disabilities to higher discretionary standards where an applicant must demonstrate compatibility with the neighborhood, unlike other residential uses. The element should include specific analysis of these and any other constraints, including their enforcement and considering public comments, for impacts on housing for persons with disabilities and add or modify programs as appropriate.

Additionally, the element has some information on reasonable accommodation process, and identifies approval findings for granting a reasonable accommodation, including finding related to impacts on surrounding uses which could constrain the issuance of a reasonable accommodation and housing for persons with disabilities. The element should include a program, or revise Program 11 (Special Needs Housing) to amend the Reasonable Accommodation Ordinance and remove constraints, namely the "potential impact on surrounding uses" and the "any other factor(s) that may have a bearing on the request" approval findings. The "no preferable and/or feasible alternatives to the requested accommodation that may provide an equivalent level of benefit" finding should also be revised to align with language provided by Federal Housing and Urban Development (HUD) which requires the finding to consider, "the availability of alternative accommodations that would effectively meet the requester's disability-related needs." Please refer to the following guidance for more information [huddojstatement.pdf](#).

Zoning, Development Standards and Fees: The element must clarify compliance with new transparency requirements for posting all zoning, development standards and fees on the City's website and add a program to address these requirements, if necessary.

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, 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... (Gov. Code, § 65583, subd. (a)(6).)*

Approval Time and Requests Lesser Densities: The element must include analysis of requests to develop housing at densities below those identified, the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially. The element must address any hinderance on the development of housing and include programs as appropriate.

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: The element includes some general quantification and analysis; however, the element should include an analysis of all households with special housing needs. Specifically, the element should address the total number of permanent, seasonal farmworkers (e.g., USDA county level data) and the characteristics and trends of female headed households. The analysis should include, but is not limited to, factors such as trends, household income, tenure, housing types, zoning, and available resources. The element must also include the number of persons with disabilities in the City.

7. *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 no units are at-risk of converting to market rate uses. However, based on HCD's records, the element lists two properties (Atrium Apartments and Dahlia Court) that are at-risk of conversion in the next ten years. As a result, the element should analyze the risk of conversion for these apartments, and add or modify 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 the program requirements of Gov. Code section 65583, subd. (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

- *Program 1 (Adequate Site to Accommodate RHNA)*: This program should be revised to provide definitive implementation timelines for each activity, and well as quantified objectives to demonstrate the City is addressing its RHNA shortfall.
- *Program 2 (Accessory Dwelling Units)*: This program should be revised to clarify if pre-approved ADU plans have already been developed, or if they are still being developed. The program should also provide discrete timing for each implementation action listed, and include proactive outreach.
- *Program 4 (Section 8 Rental Assistance)*: This program should be revised to include proactive outreach.
- *Program 5 (Affordable Rental Housing)*: This program should be revised to provide a specific timeline stating when the assistance and incentive actions will be implemented.
- *Program 6 (Inclusionary Housing)*: This Program should be revised to increase its quantified metric of 10 inclusionary units and provide a specific timeframe for implementation.
- *Program 7 (Density Bonus)*: The program should include specific timing of when the ordinance will be updated.
- *Program 8 (Facilitate Lot Consolidation)*: This program should be revised to include specific timing to implement the lot consolidation.
- *Program 9 (Regulatory Concessions and incentives for Affordable Housing)*: This program should be revised to provide a specific timeline for implementing regulatory concessions.
- *Program 11 (Special Needs Housing)*: This program should be revised to specifically state what the City will be doing to bring policies and procedures into compliance with state law for each element of housing for special needs listed in the program. Each activity should have accompanying timelines and quantifiable metrics where applicable.
- *Program 12 (Conservation of Mobile Home Parks)*: The program should provide a quantifiable objective for the amount of units that are anticipated to be preserved.
- *Program 14 (Housing Code Compliance)*: This program should be revised to provide a quantifiable objective as to the number of units that will be preserved through code compliance efforts, and commit to proactive outreach.
- *Program 15 (Single-Family Housing Rehabilitation)*: This program should be revised to increase quantified objectives from two units for extremely low-income households and three units for low-income households. It should also provide distinct implementation timelines for each activity listed in the program activities.

- *Program 16 (Multifamily Housing Rehabilitation)*: This program should add timing for how often the City will apply for funding, and commit to proactive outreach. It should also increase its quantified objectives from two extremely low-income units and one very low-income unit.
 - *Program 18 (Workforce Homebuyer Down Payment Loans)*: This program should provide quantifiable metrics, timing of implementation, and commit to proactive outreach.
2. *Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding B3, the element does not include a complete site analysis, therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. Additionally, the element should be revised as follows:

Shortfall of Sites: The element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA by 2026. While the element includes Program 1 (Adequate Site to Accommodate RHNA), it must specifically commit to acreage, allowable densities and anticipated units. Additionally, if any zoning amendment or rezoning is necessary in the planning period to accommodate a shortfall of adequate sites or unaccommodated need for lower-income households, the zoning must permit multifamily uses without discretionary action and address several other requirements pursuant to Government Code section 65583, subdivision (c), paragraph (1) and section 65583.2, subdivisions (h) and (i). Specifically, if adoption does not occur by February 15, 2023 or if the zoning is necessary after February 15, 2023, then sites must address the requirements described above.

Nonvacant Sites Reliance to Accommodate RHNA: As the element relies upon nonvacant sites to accommodate the regional housing need for lower-income households, it should include a program(s) to promote residential development of those sites. The program(s) could commit to provide financial assistance, regulatory concessions, or incentives to encourage and facilitate new, or more intense, residential development on the sites. Examples of incentives include identifying and targeting specific financial resources and reducing appropriate development standards

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 extremely low-income households. The program(s) could commit the City to adopting priority processing, granting fee waivers or deferrals, modifying development standards, granting concessions and incentives for housing developments that include units affordable to extremely low-income households; assisting, supporting or pursuing funding applications; and outreach and coordination with affordable housing developers. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/assist-development-housing>.

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 B4 and B5, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

5. *Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

The element must be revised to add or modify 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 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.

Currently the element only addresses AFFH Program 17. The element could revise other program actions to address the City's obligation to AFFH including how programs address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. In addition, Program 5A should also describe how all the City's housing programs comply with and further the requirements and goals of Government Code section 8899.50, subdivision (b).

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 must be revised to includes a program that takes actions to monitor at-risk units, including contacting property owners within at least one year of the affordability expiration dates on projects, in addition to coordinating with qualified entities such as nonprofit organizations and establish specific time parameters around such actions.

D. Quantified Objectives

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

The element must include quantified objectives to establish an estimate of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes quantified objectives for new construction and rehabilitation by income group for very low-, low-, moderate- and above-moderate income, it must also include quantified objectives for conservation and mobile homes by income category.

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).)

While the element includes a general summary of the public participation process (Appendix C, Table C-2), it should also summarize public comments and describe how they were considered and incorporated into the element. Further, the element should describe additional methods for past and future public outreach efforts, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For example, the element provides a list of stakeholders that participated in meetings with the City, but it should also describe who from these organizations participated, and which special needs groups they represented. In future, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/public-participation>.

F. Coastal Zone

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 does not meet the statutory requirements. To determine whether the City's affordable housing stock in the coastal zone is being protected and provided as required by Government Code section 65588, the element must be revised to include the following:

1. The number of new housing units approved for construction within the coastal zone since January 1982.
2. The number of housing units for persons and families of low- and moderate-income required to be provided in new housing developments either within the coastal zone or within three miles.
3. The number of existing residential dwelling units occupied by low- and moderate-income households either within the coastal zone or three miles of the coastal zone that have been authorized to be demolished or converted since January 1982.
4. The number of residential dwelling units for low- and moderate-income households that have been required for replacement.