

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

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June 12, 2023

David Durflinger, City Manager
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

Dear David Durflinger:

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

Thank you for submitting the City of Carpinteria's (City) housing element adopted April 10, 2023 and received for review on April 12, 2023. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. HCD also considered comments received from the California Coastal Commission pursuant to Government Code section 65585, subdivision (c).

The adopted housing element addresses many statutory requirements described in HCD's February 21, 2023 letter; however, additional revisions are necessary to fully comply with State Housing Element Law (Gov. Code, § 65580 et seq). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law. The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

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 I 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. During the housing element revision

process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

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>.

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.

HCD appreciates the assistance the City's housing element team provided during the course of our 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 Reid Mille, of our staff, at Reid.Miller@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy
Proactive Housing Accountability Chief

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. 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 was revised on pg. III-12 to 16 of the technical report to demonstrate compliance with state and federal law regarding special needs housing and adds program activities that will bring City into compliance with state and federal law if not already compliant, it must still analyze the City's capacity to provide enforcement and outreach. Please see HCD's prior review.

Outreach: While the element was revised to include an updated stakeholder list that includes more groups that could be inferred to serve lower-income communities, there is no added analysis describing efforts to reach out to neighborhoods with relatively concentrated poverty for input related to housing and community development needs and access to opportunities. Additionally, while the element was revised to demonstrate some outreach was conducted in Spanish, this appears to be limited to one community survey. The element should be revised to include programs for more thorough outreach to this population.

Integration and Segregation: While the element was revised to provide additional regional analysis, this analysis is largely limited to comparing City trends to County data. A complete regional analysis must compare the City to the surrounding *region*, including other jurisdictions that border or are in close proximity to the City. Additionally, while further analysis added on geographic concentrations for race and ethnicity and familial status, this analysis must also be applied to disability and income. Future analysis should also address potential causes for geographic concentrations based on familial status, disability, and income. Finally, while the element was revised to discuss and analyze data for trends over time and patterns across census tracts for race, disabilities, and familial status, it must also do so for income.

Disparities in Access to Opportunity: While the element was revised to provide sufficient local and regional analysis for access to economic and transit opportunities, it must provide further information and analysis for access to educational and environmental opportunities. Specifically, while the adopted element provides further information on educational opportunities within the City, it does not provide any analysis on disparities in access to opportunities in different parts of the City. It also does not provide a regional comparison in access educational opportunities. Additionally, while additional information has been added to explain local and regional environmental opportunities, there must be additional analysis for potential causes of variations in scoring from local and regional data.

Disproportionate Housing Needs Including Displacement: While a sufficient regional analysis and analysis of patterns over time was added to the adopted element for displacement risk, overpayment, overcrowding, and persons experiencing homelessness, further analysis is needed to meet the requirements of this finding. Specifically, the element must provide a more detailed analysis of concentrations substandard housing within the City and include details on what contributes to overcrowding in certain areas of the City and how it relates to other fair housing factors. Additionally, the adopted element should be revised to provide additional local analysis of persons experiencing homelessness, including any demographics or characteristics for impacts on protected characteristics (e.g., race and disability) and access to shelter and services. Finally, the adopted element was not revised to analyze displacement risk both locally and regionally including displacement due to investment, disinvestment, and disaster driven displacement. Please see HCD's prior review.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): The element was largely not revised to address this requirement. For example, while the adopted element was revised to provide TCAC opportunity maps in relation to sites and their location in high to low resource areas, it must analyze the location of these sites and their impact on improving access to educational opportunities, transit, jobs, and a healthy environment for all income levels. Additionally, the element states that sites are all in "moderate" resource areas and cites this as evidence for a lack of concentration of sites to accommodate lower income in low resource areas. The element should be revised to include analysis of affordable opportunities in high resource areas and include programs as necessary to encourage housing mobility. Please see HCD's prior review.

Local Data and Knowledge, and Other Relevant Factors: While the adopted element was revised to include some historical context and analysis on local and regional land use policies and market trends' effect on housing mobility and opportunities in the City, some of the information seems to be anecdotal and sources are not cited. The element should be revised to clearly show how the City utilized knowledge from local and regional advocates, service providers and other planning documents or processes to inform its analysis, policies, and programs.

Contributing Factors to Fair Housing Issues: While the adopted element was revised to add priority levels, all contributing factors are listed as "high" priorities. The element

should re-assess contributing factors upon completion of analysis and make revisions as appropriate, including clearer prioritization.

2. *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): While Table B-2 and B-3 have been revised to provide more detailed information as to the status and anticipated completion date of each pending and approved project, analysis should also address 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. Additionally, Table B-3 appears to list multiple projects as “approved” that are still in the review process. In order to be counted as an approved project, a project must be issued a building permit. The element should be revised to separate completed projects and approved projects and provide additional evidence to support the assertion that the pending projects will be completed in the planning period.

Parcel Listing: While Table B-4 has been revised to add the parcel number and parcel size for each site, and Table B-6 has been revised to clarify that all sites listed in it are to address lower-income RHNA, Table B-5 still appears to assume a density bonus will be applied to Site 5, and this assumes a capacity of 32 dwelling units per acre. As stated in HCD’s prior review, 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 realistic capacity analysis has been revised to cite pending and approved projects as evidence for capacity on nonvacant sites, it does not link the characteristics of sites in Table B-2 and B-3 to the sites in the inventory in Tables B4 and B-5. More analysis is needed connecting developed projects to sites in the inventory in terms of size, affordability level and other similar characteristics, and this analysis should also address how land use controls and site improvements were factored into capacity calculations. Please see HCD’s prior review for more information.

Suitability of Nonvacant Sites: While the element includes specific information on each nonvacant site in the inventory including various characteristics about the site and existing uses, it only includes a general description of the methodology used to select these sites but does not describe how these factors relate to the potential to redevelop in the planning period. To support these factors, the element could relate the characteristics of example projection on Table B-2 to the characteristics outlined in the site descriptions and include market conditions or trends that support the assumptions.

Small and Large Sites: The element was not revised to meet this requirement. While the adopted element seems to indicate that no sites larger than ten acres or smaller than half an acre are being used to accommodate lower income RHNA, analysis in

Figure 3 appears to indicate that sites 1, 2, 6, 11, 14, 15, 16, 18 and 20 are all larger than ten acres or smaller than half an acre and are being used to accommodate lower-income units. 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. Additionally, while Program 8 was revised to include incentives for consolidating small parcels and subdividing large parcels and implement SB 9 requirements by 2024, it should be more specific as to what incentives will be offered and provide quantifiable objectives to match or exceed RHNA expectations.

Accessory Dwelling Units (ADU): While the adopted element provides some additional analysis stating its updated ADU ordinance will increase ADU production, and Program 2 (Accessory Dwelling Units) was revised to include monitoring of ADU production throughout the planning period, 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. Please see HCD's prior review.

Environmental Constraints: The adopted element was not revised to meet this requirement. Please see HCD's prior review. In addition, as stated in third party comments from the Coastal Commission sites expected to be rezoned may be inconsistent with the City existing Local Coastal Plan and sites located in proximity to the Carpinteria Salt Marsh raise issues with flooding and other coastal hazards, particularly with anticipated sea level rise. The Coastal Commission also raised concerns related potential sites that contain or are adjacent to creeks or other environmentally sensitive areas, raise issue with regard to ESHA protection, water quality, and flooding hazards in consideration of sea level rise. The element must describe and analyze these and other known conditions that preclude development (e.g., size, shape, easements, contamination, coastal policies).

Sites with Zoning for a Variety of Housing Types:

- Emergency Shelter Capacity: While the adopted element appears to indicate that new emergency shelter requirements brought on by AB 2339 will be addressed through Program 11 (Special Needs Housing), it is not clear in the program language that this is the case. The element must be revised to provide adequate emergency shelter capacity analysis, as well as program actions as necessary to accommodate the needs of the community. Please see HCD's prior review for more information.
- By-Right Permanent Supportive Housing: While the adopted element appears to indicate that Program 11 will adopt zoning amendments pursuant to Government Code section 65651 regarding by-right permanent supportive housing, the element must indicate exactly how the City's current policies do not align with state law, and what the program will change to bring them into compliance.

3. *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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). (Gov. Code, § 65583, subd. (a)(5).)

Land-Use Controls: While the adopted element was revised to provide additional analysis on density, lot coverage, building height, lot size and site requirements, floor area ratio, setbacks, and open space requirements, the analysis is generalized and does not provide any determination stating if these controls constitute constraints in any particular areas of the City. Additionally, while the element was revised to add additional analysis on the 30-foot height limit for buildings up to three stories, program actions must still be added to address height limits as constraint.

R-Residential Overlay: The element was not revised to meet this requirement. Please see HCD's prior review.

Processing and Permit Procedures: While the element was revised to provide adequate analysis of the conditional use permit (CUP) and development plan process, it must still describe coastal zone regulations and provide an analysis of whether the City's coastal preservation policies will impact future or existing housing development within the coastal zone, particularly for sites that require rezoning.

Building Codes and Enforcement: The element was not revised to meet this requirement. Please see HCD's prior review.

Constraints on Housing for Persons with Disabilities: While the adopted element was revised to state that group homes of six or fewer are allowed by-right, and group homes of seven or more require a CUP, it does not state that this differentiation is a constraint and commit to amending it as part of Program 11 (Special Needs Housing). Program 11 must also be revised to commit to removing the reasonable accommodations findings mentioned in HCD's prior review.

Zoning, Development Standards and Fees: The element was revised to add a commitment in Program 1 to "post and update all zoning regulations and fees on the City website annually", this does not address the requirements of this finding. Please see HCD's prior review.

4. *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).)*

Approval Time and Requests Lesser Densities: While the element was revised to state that time from project approval to receiving a building permit is 3-4 months, the element does not include adequate analysis of requests to develop housing at densities below those identified. Specifically, while the element states that projects have been developed at densities lower than those identified, it provides no analysis as to what the projects consisted of or why they developed at lower densities.

5. *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 adopted element was revised to provide an adequate analysis for female-headed households, it must still be revised to provide an estimate as to the number of permanent and seasonal farmworkers and provide the number of persons with developmental disabilities within the City.

B. 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 address the program requirements of Government Code section 65583, subdivision (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 5 (Affordable Rental Housing): The program was not revised to address this finding. Please see HCD’s prior review.

Program 8 (Facilitate Lot Consolidation): While the program was revised to state that lot consolidations would be implemented on a “project-by-project basis”, it must

provide a more specific timeline of how actions and incentives to encourage lot consolidation will be put in place and implemented.

Program 9 (Regulatory Concessions and incentives for Affordable Housing): The program was not revised to adequately address this requirement. Specifically, it must provide a clearer implementation timeframe, and state if concessions are already in place or if they are still being developed.

Program 11 (Special Needs Housing): The program was not revised to address this requirement. Please see HCD's prior review.

Program 14 (Housing Code Compliance): While the program was revised to commit to proactive outreach, it must still provide a quantifiable objective as to the number of units that will be preserved through code compliance efforts.

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 A2, 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:

Program 1 (Adequate Site to Accommodate RHNA): While the element was revised to provide the acreage of sites that will be rezoned to accommodate RHNA, it must provide a quantifiable metric of the number of units that will be rezoned to demonstrate the City is addressing its RHNA shortfall. Additionally, this program must still be revised to provide definitive implementation timelines for *each activity*. The program must also include specific commitments and timing related to required Coastal Commission Approvals for amendments to the Local Coastal Plan. HCD encourages the City to coordinate with Coastal Commission staff on revisions to the housing element to ensure sites to be rezoned are consistent with the Local Coastal Plan and free from potential constraints.

In addition, please be aware, the recent California appellate decision in *Martinez v. City of Clovis*.¹ found that while overlays can be used in a rezone, when the base zone allows residential development, both the base zone and the overlay zone must comply with the minimum density requirements of Government Code section 65583.2, subdivision (h). The City should analyze how this decision may impact its current rezone strategy using the R-Residential Overlay and may need to adjust accordingly.

Nonvacant Sites Reliance to Accommodate RHNA: The element was not revised to specifically address this requirement. Please see HCD's prior review.

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).)*

While Program 5 (Affordable Rental Housing Development Assistance) was revised to state that projects with extremely low-income units would receive "priority processing", it must specify what this process entails, and what the requirements are to qualify for it.

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 A3 and A4, 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 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 A1, the element requires a complete AFFH analysis. Depending upon the results of that analysis, the City may need to revise or add programs.

Additionally, the adopted element did not revise other program actions to address the City's obligation to AFFH including how programs address housing mobility

¹ *Martinez v. City of Clovis* (2023) 90 Cal.App.5th 193, 307 Cal.Rptr.3d 64.

enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. Program 5A also was not revised to describe how all the City's housing programs comply with and further the requirements and goals of Government Code section 8899.50, subdivision (b).

C. Quantified Objectives

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

While the element was revised to include units to be constructed, rehabilitated, and conserved in the planning period, the number of mobile homes must still be broken down by income category.

D. 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 was revised to add additional information as to the number of groups that were contacted to take part in the public participation process, it still does not describe who participated in the public participation process, nor does it describe where the comments in Table C-2 come from. Additionally, while Program 17 commits to reaching out to special needs groups and neighborhoods of more concentrated lower-income residents, it must still describe what methods of outreach will be employed, and how often they will be carried out.