

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

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August 31, 2021

Carl Stiehl, Senior Planner
Planning Division
City of Murrieta
1 Town Square
Murrieta, CA 92562

Dear Carl Stiehl:

RE: Review of the City of Murrieta's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Murrieta's (City) draft housing element received for review on July 2, 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 August 19, 2021.

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.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2021 for Southern California Association of Governments (SCAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf.

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.

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.

HCD appreciates the dedication and hard work the housing element update team provided during the review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Marisa Prasse, of our staff, at Marisa.Prasse@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Shannan West". The signature is written in a cursive, flowing style.

Shannan West
Land Use & Planning Unit Chief

Enclosure

APPENDIX CITY OF MURIETA

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).)

As part of the evaluation of programs in the past cycle, the element must provide an explanation of the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers and persons experiencing homelessness).

B. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing (AFFH) 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).)*

The assessment of fair housing includes limited data for some required areas and much of the assessment is void of analysis. The element must still address:

Enforcement & Outreach: The element must describe capacity to provide enforcement and outreach which can consist of actions such as the ability to investigate complaints, obtain remedies, or engage in fair housing testing. The element currently describes services provided by the Fair Housing Council of Riverside County (FHCRC) but should also describe the number and characteristics of housing discrimination complaints. The analysis could also evaluate data and the results from any fair housing testing. In addition, the analysis must address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgements, or complaints.

Integration and Segregation: The element includes information on dissimilarity by race/ethnicity; however, it should also consider spatial analysis (neighborhood to neighborhood) of these dissimilarities and consider other data options. In addition, this section must address trends and patterns within the City for disability, familial status, and income.

Concentrated Areas of Poverty and Affluence: The element includes information relative to Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) but should also address concentrated areas of affluence. The combination of the R/ECAP and areas of affluence analyses will help guide goals and actions to address fair housing issues. The analysis should evaluate the patterns and changes over time and consider other relevant factors, such as public participation, past policies, practices, and investments and demographic trends.

Access to Opportunity: The element includes general information from the 2014 Regional Opportunity Index and overall indicators of access to opportunity from the TCAC/HCD maps but should also, at a neighborhood and regional level, analyze trends and patterns for access to opportunities related to education, economic, transportation, and environmental quality.

Disproportionate Housing Needs, Including Displacement: The element does include data on overcrowded households, substandard housing conditions, and cost burdened households, but it must also analyze the data including evaluating spatial trends, patterns, and other local knowledge, and conclude with a summary of issues. In addition, the element briefly and generically mentions displacement but must still provide data, analysis, and conclusions.

Local Data and Knowledge, and Other Relevant Factors: The element does not address this requirement. 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. For instance, the element can analyze historical land use and investment practices or other information and demographic trends.

Contributing Factors: The element must list and prioritize contributing factors to fair housing issues. While the element includes a list of contributing factors from the County Analysis of Impediments and selects two from that list to focus on, the contributing factors must be tailored to local conditions in Murrieta and address the most significant impediments to fair housing choice. The element should reassess contributing factors upon completion of analysis and make revisions as appropriate. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. Examples include community opposition to affordable housing, housing discrimination, land use and zoning laws, lack of regional cooperation, location and type or lack of affordable housing and lack of public or private investment in areas of opportunity or affordable housing choices. The analysis shall result in strategic approaches to inform and connect goals and actions to mitigate contributing factors to affordable housing.

Sites: The element discusses the proposed number of sites and units relative to patterns of race and income but must also address the other components of the assessment of fair housing (e.g., Access to Opportunity, Disproportionate Housing Need, including Displacement). Also, the analysis should address the number of

anticipated units by income group. Finally, the conclusions do not appear associated with the data provided and should be revisited. For example, virtually all the sites intended to accommodate housing for lower-income households appear isolated in the downtown area, yet the element concludes sites are evenly dispersed throughout the community.

Goals, Priorities, Metrics, and Milestones: Goals and actions must create meaningful impact to overcome contributing factors to fair housing issues. Currently, programs are not sufficient to facilitate meaningful change and address AFFH requirements. Based on the outcomes of a complete analysis, 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 metrics and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

For further guidance, please visit HCD's Affirmatively Furthering Fair Housing in California webpage at <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

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 (ELI). (Gov. Code, § 65583, subd. (a)(1).)*

While the element quantifies total existing housing needs of ELI households, it must quantify existing and projected ELI households by tenure and analyze their 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 identifies the age of the housing stock (pp. 2-28-30). However, it must estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including non-profit housing developers or organizations. 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).)*

The City has a regional housing needs allocation (RHNA) of 3,043 housing units, of which 1,592 are for lower-income households. To address this need, the element relies on vacant sites, including sites in specific plan areas, redevelopment of nonvacant sites, and accessory dwelling units (ADUs). To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Progress in Meeting the RHNA: The element may utilize units built, permitted, or approved toward the regional housing need since June 30, 2021. To utilize these units, the element must demonstrate, among other things, affordability based on sales price, rents or other mechanisms ensuring affordability (e.g., deed restrictions). The element includes Table 3-26 (p. 3-81) with a summary of the RHNA status, including built units but the table is incomplete and "TBD". For your information, if utilizing built units, the element must include the appropriate analysis as described above.

Parcel Listing: The element lists parcels by various factors such as size and zoning. However, the listing must also include sites by general plan designation, anticipated affordability and existing use for nonvacant sites. Also, descriptions of existing use must include sufficient detail to facilitate an analysis of the potential for addition development on nonvacant sites. For more information, see the HCD's Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Realistic Capacity: While the element provides assumptions for calculating residential capacity, it must also support these assumptions. For example, the element should demonstrate what specific trends, factors, and other evidence led to the assumptions. 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. The element also must analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow nonresidential uses (e.g., TOD overlay and underlying zones). This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development. For additional information, see the Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Suitability of Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need for lower-income households, the description provided regarding potential for redevelopment is inadequate. 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, and regulatory or other incentives or standards to encourage additional residential development on these sites. (Gov. Code, § 65583.2, subd. (g).) For sites with residential uses, the inventory could also describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses, and if necessary, add a program to address replacement needs. Also, some listed sites are denoted as vacant but then list existing units, which should be reconciled. For nonresidential sites, the inventory could also describe whether the use is operating, marginal or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment. For additional information and sample analysis, see the Building Blocks at: <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#analysis>.

Accessory Dwelling Units (ADUs): The element assumes 11 ADUs per year for a potential buildout of 88 units within the planning period. According to HCD records, the City has permitted an average of 2 units per year, far less than the 88 units assumed in the element. The trends noted in the element appear inconsistent with HCD records and, further, do not support an assumption of 11 ADUs per year. To support assumptions for ADUs in the planning period, the element should reconsider assumptions, reconcile trends with HCD records, include additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate.

In addition, in communication with City staff and consultant, staff indicated that there is a project in the pipeline with 58 ADUs. If this is the case, the housing element should specifically describe this project as progress toward the RHNA as described above.

Small Sites: The element identifies 5 sites consisting of aggregated small parcels with less than 50 units per site capacity to accommodate the lower-income RHNA, which are expected to develop consolidated as a group. For parcels anticipated to be consolidated, the element must demonstrate the potential for lot consolidation. For example, analysis describing the City's role or track record in facilitating small-lot consolidation, policies or incentives offered or proposed to encourage and facilitate lot consolidation, conditions rendering parcels suitable and ready for redevelopment, recent trends of lot consolidation, and information on the owners of each aggregated site. In addition, the analysis should describe how table B-7, which shows past small site development projects in Murrieta, relates to the sites in the inventory. Pending results of analysis, the element should be revised to omit unsuitable sites and/or revise programs as necessary. This is important given the necessary economies of scale to facilitate development of housing affordable to lower-income households. For example, most assisted housing developments utilizing state or federal financial resources typically include at least 50 to 80 units. For additional information and sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning>.

Large Sites: Two sites to accommodate the City housing's need for lower-income households are large parcels of 18 and 26 acres (page B-15). Since most developments

utilizing state or federal financial resources include 50 to 150 units, the element must include analysis describing the feasibility of large parcel development of housing affordable to lower-income households, past trends of large site development, and characteristics of large sites that were developed. In addition, the analysis should describe how Table B-6, which shows past large site development projects in Murrieta, relates to the sites in the inventory. Pending results of analysis, the element should be revised to omit unsuitable sites and/or revise programs as necessary. 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#realistic>.

Environmental Constraints: While the element generally describes a few environmental conditions within the City (p. 3-37), it must 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.

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.

Sites with Zoning for a Variety of Housing Types:

- *Emergency Shelters:* The element should describe the development standards of the BP zone that allows emergency shelters by-right and should provide an analysis of proximity to transportation and services for these sites, hazardous conditions, and any conditions inappropriate for human habitability. In addition, the element should describe how emergency shelter parking requirements comply with AB 139 (Chapter 335, Statutes of 2019) or include a program to comply with this requirement. For additional information and a sample analysis, see the Building Blocks at http://www.hcd.ca.gov/community-development/housing-element/housing-element-emos/docs/sb2_memo050708.pdf.
- *Manufactured Housing:* The element must demonstrate manufactured homes on a foundation are allowed by-right in single family residential areas and treated as a single family use pursuant to Government Code section 65852.3. Table 3-10 (p. 3-16) indicates single family homes are permitted in SF-2 zone, but manufactured housing is not permitted in SF-2 zone. As a result, the housing element should either clarify consistency with state law or include a program to amend zoning.
- *Accessory Dwelling Units:* The element generally indicates ADUs are allowed in all zones for single family and multifamily uses but should include additional description to demonstrate consistency with statutory requirements. For example, the element could explain fees, parking requirements, setbacks, heights and other development standards.

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).)*

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 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. Specifically, the element includes minimum lot sizes for multifamily developments of 5 acres (p. 3-9); however, identified sites (Appendix B) include many sites smaller than the minimum lot size (e.g., 2 acres). The element must include a program to mitigate this constraint or remove sites that do not meet minimum lot size requirements. Furthermore, the element should analyze and address its parking requirements for multifamily dwellings and condominiums as a constraint on housing, in particular, requirements for fully enclosed garage parking. Should the analysis determine land use controls are a constraint on residential development, it must include a program to address or remove any identified constraints. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/land-use-controls.shtml>.

Local Processing and Permit Procedures: While the element describes some local processing and permit procedures (p. 3-15), it must evaluate the processing and permit procedures' impacts as potential constraints on housing supply, affordability, timing, and approval certainty. For example, the analysis should consider processing and approval procedures for typical single- and multifamily developments, including type of permit, level of review, number of public hearings, approval findings and any other discretionary approval procedures.

In addition, 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.

On/Off-Site Improvements: The element generally describes site improvements (p. 3-26); however, the element must identify subdivision level improvement requirements, such as minimum street widths, and analyze impacts as potential constraints on housing supply, cost, and affordability.

Codes and Enforcement: The element includes the City’s building enforcement processes; however, it must also include any local amendments to the building code and analyze potential constraints on housing supply, cost, and affordability.

Constraints on Housing for Persons with Disabilities: The element must include an analysis of potential constraints on housing for persons with disabilities. Specifically,

- *Reasonable Accommodation:* The element identifies approval findings (p. 3-21) for granting a reasonable accommodation including finding related to impacts on surrounding uses – essentially a conditional use permit (CUP) finding. However, reasonable accommodation should be a unique exception process from a CUP, especially given its importance in addressing barriers to housing for persons with disabilities. The element should include a program to amend the reasonable accommodation ordinance and remove constraints, namely the “potential impact on surrounding uses” approval finding.
- *Definition of Family:* The element must describe any zoning code definitions of family and analyze as a potential 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 conditional use permit (CUP), unlike other similar uses. 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 include programs as appropriate.

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

Approval Time and Requests for 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. The element must address any hinderance on the development of housing and include programs as appropriate.

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).)*

Elderly by Tenure: To better formulate policies and programs, the element should evaluate the number of elderly households by tenure (renters and owners).

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 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 with specific commitment and definitive implementation timelines include but are not limited to 1.1 (Affordable Housing Opportunities), 1.2 (Residential Opportunities Land Use Database), 2.4 (Section 8 Participation), 3.5 (Residential Development Standards), 4.2 (Fair Housing), 4.3 (Affirmatively Furthering Fair Housing) and 5.2 (Accessory Dwelling Unit Construction).

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:

- *Lot Consolidation/Large Sites*: Based on the outcomes of a complete analysis, Programs 1-3 (Lot Consolidation Program) and 1-4 (Large Residential Opportunity Sites Program) should be revised to provide more detail on existing incentives, add specificity, and to strengthen program commitments.

For example, the lot consolidation program (1-3) could commit to (1) granting density bonuses above state density bonus law (Gov. Code, § 65915.); (2) deferring fees specifically for consolidation; (3) expediting permit processing; (4) identifying and targeting specific financial resources; and (5) modifying development standards.

- *Permanent Supportive Housing/Low Barrier Navigation Center*: Program 1-6 should have a specific commitment to amend zoning code to be compliant with State law.
- *Replacement Housing Requirements*: As noted in Finding B4, if utilizing sites with existing residential uses, the housing element must include a program to provide replacement housing. The replacement housing program must adhere to the same requirements as set forth in Government Code section 65915, subdivision (c)(3).

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 lower-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 lower- and moderate-income households; proactive outreach and assistance to non-profit service providers and developers; prioritizing some funding for housing developments with special needs households; assisting, supporting or pursuing funding applications; and working with housing developers coordinate and implement a strategy for developing housing affordable to lower- and moderate-income households. In addition:

- *Extremely Low-income Households*: The element must include specific actions to assist in development of ELI households. Examples of actions are described above.
- *Special Needs Households*: The element should include specific actions undertaken by the City to address the housing needs of special needs households.
- *Programs 4-1 (Housing for Persons with Developmental Disabilities) and 4.4 (Homeless Assistance Program)*: These programs that serve populations with special needs should be strengthened to add specificity, definitive timelines, and quantifiable outcomes.

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.

5. *Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. (Gov. Code, § 65583, subd. (c)(4).)*

As noted in Finding B3, the element must include a complete analysis of housing conditions. Based on the outcomes of that analysis, the element may need to add or modify programs to conserve and improve the condition of the existing housing stock.

6. *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 clear timelines and quantifiable outcomes, 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.

7. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, “accessory dwelling units” has the same meaning as “accessory dwelling unit” as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)*

Program 5-2 (ADU Construction) commits to promote awareness of ADUs and explore and assess incentives. In addition, the program should commit to establish incentives by a specified date and consider additional actions, if necessary. Further, Program 5-3 (ADUs Monitoring Program) generally only commits to track applications and “evaluate the need” to adjust programs if ADUs are not permitted as assumed. If utilizing ADUs toward the RHNA, the program should specifically commit to track the production and affordability of ADUs every other year and specifically commit to appropriate actions (e.g., rezone) within a specified time if assumptions are not realized.

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 includes quantified objectives for new construction for all income groups. However, these objectives are incomplete for rehabilitation and conservation and currently marked “TBD”. Future versions of the housing element must have quantified objectives for rehabilitation and conservation by income group.

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 the City made effort to include the public through workshops and surveys, moving forward, the City should employ additional methods for public outreach efforts, particularly including lower-income and special needs households and neighborhoods with higher concentrations of lower-income and special needs households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income and special needs households in future public outreach efforts. In addition, the element should summarize public comments and describe how public comments were considered and incorporated into the housing element. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

F. Consistency with General Plan

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)

For your information, some general plan element updates are triggered by housing element adoption. For example, a jurisdiction must address environmental justice in its general plan by the adoption of an environmental justice element, or by the integration of environmental justice goals, policies, and objectives into other general plan elements upon the adoption or next revision of two or more elements concurrently on or after January 1, 2018. (Gov. Code, § 65302, subd. (h).) In addition, the safety and conservation elements of the general plan must include analysis and policies regarding fire and flood hazard management and be revised upon each housing element revision. (Gov. Code, § 65302, subd. (g).) Also, the land-use element must identify and analyze disadvantaged communities (unincorporated island or fringe communities within spheres of influence areas or isolated long established legacy communities) on, or before, the housing element’s adoption due date. (Gov. Code, § 65302.10, subd. (b).) 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.