

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

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September 29, 2021

Aarti Shrivastava, Director
Community Development Department
City of Mountain View
500 Castro Street, PO Box 7540
Mountain View, CA 94039

Dear Aarti Shrivastava:

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

Thank you for submitting the City of Mountain View's (City) draft housing element received for review on July 1, 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 September 13, 2022 with yourself, Ellen Yau, Senior Planner, Erica Anderson, Advanced Planning Manager, Wayne Chen, Assistant Community Development Director, Micaela Hellman-Tincher, Housing Neighborhood Services Manager, Beverly Choi, Community Planning Program Manager, Grace Nelson, Environmental Intern, and BAE Consultant Stephanie Hagar. In addition, HCD considered comments from Liwen Chen, League of Women Voters Los Altos-Mountain View area, Mountain View YIMBY, Deniece Smith, the Mountain View Chamber of Commerce & Foundation, SV@Home, James Kuzmaul, Greenbelt Alliance, Salim Damerdji, TransForm, and Kevin Ma pursuant to Government Code section 65585, subdivision (c). HCD also received comments from Mountain View Mobile Home Alliance, Susan Morales, and Anna Marie Morales on September 28, 2022. However, HCD was unable to fully examine the information and consider the comments as part of this review. Consequently, HCD will retain the comments for full consideration in the next review of the housing element

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). In particular, the element must clarify its use and definition of "pending projects" in the sites inventory, and provide further analysis to demonstrate its local density bonus requirements are not in violation of State Law. The enclosed Appendix describes these and other revisions needed to comply with State Housing Element Law.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the

statutory deadline (January 31, 2023), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i). 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 rezones to accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) 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 hard work of the City's entire housing element team 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,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF MOUNTAIN VIEW

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <https://www.hcd.ca.gov/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

As part of the evaluation of programs in the past cycle, the element must also 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). 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 and Outreach: The element must state whether or not there were any judgements, lawsuits, or enforcement actions against the City as a result of fair housing complaints. The element must also provide a clear statement that the City complies with all existing State and Federal fair housing laws and regulations.

Integration and Segregation: While the element provided most of the necessary data and analysis for integration and segregation patterns in the City in the local context, it must discuss and analyze data for trends over time and patterns across census tracts for familial status, income, and persons with disabilities. Additionally, it must evaluate these patterns at a regional basis, comparing the City to the region.

Racial/Ethnic Areas of Concentration of Affluence (RCAA): The element correctly states on pg. 156 that a RCAA does not exist within the City. However, the City is predominantly

a high resource category according to TCAC/HCD Opportunity Maps and higher income, with areas of concentrated higher incomes being predominantly white. These patterns are similar to the surrounding region, but the element should include specific analysis of the City compared to the region and should formulate policies and programs to promote an inclusive community. For example, the City should consider additional actions (not limited to the RHNA) to promote housing mobility and improve new housing opportunities throughout the City. This is particularly important since the City did not permit adequate housing affordable to lower income households in the prior planning period.

Disparities in Access to Opportunity: While the element provides information on the access to opportunity through the TCAC opportunity maps and provides a complete local and regional analysis of patterns and trends for most components of the affirmatively furthering fair housing (AFFH) analysis, HCD has received public comments concerning racial disparities in access to opportunities in education in the City. The element should provide a comprehensive analysis of local and regional disparities of the educational scores through local, federal, and/or state data. Additionally, the element should provide additional local analysis related to access to opportunity in relation to a healthy environment. Please refer to page 35 of the AFFH guidebook (link: <https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance>) for specific factors that should be considered when analyzing access to opportunities as it pertains to education, and any factors that are unique to Mountain View.

Disproportionate Housing Needs including Displacement Risks: While the element includes some local data on cost burdened households (overpayment), the element must evaluate regional trends and patterns for overpayment. In addition, the element briefly and generically mentions displacement and homelessness in other areas of the housing element, it must still provide data, analysis, and conclusions on displacement risk and homelessness in the AFFH section.

Site Inventory: While the element includes some general discussion and conclusions beginning on pg. 273 that identified sites for lower-income households are not concentrated in any areas of the City, the element should include analysis to support these conclusions, including the number of units per site by income group for each of the AFFH categories relative to the existing patterns (number of households), impacts on patterns of disproportionate housing needs (e.g., overpayment, overcrowding, displacement) and expanding on the reasoning of the distribution of the regional housing need allocation (RHNA) for lower income households. Further, if the inventory does isolate the RHNA for lower income households in central areas, the element must have commensurate programs with place-based strategies for community revitalization and new opportunities in higher opportunity areas (beyond RHNA) to result in an equitable quality of life and affirmatively further fair housing throughout the City.

Contributing Factors: The element mentions four main fair housing issues and connects them to goals and priorities. However, these issues and goals do not appear to be connected to programs adequate to facilitate the formulation of meaningful action to overcome these contributing factors. The element should re-assess contributing factors upon completion of analysis and make revisions as appropriate, ensuring these

contributing factors are linked to programs that have meaningful actions to address concerns specific to the City.

Goals, Priorities, Metrics, and Milestones: Goals and actions must significantly seek to overcome contributing factors to fair housing issues. Currently, the element identifies programs to encourage and promote affordable housing; however, most of these programs do not appear to facilitate any meaningful change nor address AFFH requirements. Given that most of the City is considered a high-income community, the element could focus on programs that enhance housing mobility and encourage development of more housing choices and affordable housing in an inclusive manner. Programs also need to be based on identified contributing factors, be significant and meaningful. The element must add and revise programs based on a complete analysis and listing and prioritization of contributing factors to fair housing issues and include geographic targeting as appropriate. Furthermore, the element must include metrics and milestones for evaluating progress on programs, actions, and fair housing results.

2. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households. (Gov. Code, § 65583, subd. (a)(1).)*

Extremely Low-Income Households: While the element identifies the projected number of extremely low-income (ELI) households, it must still analyze their existing housing needs. This is particularly important given the unique and disproportionate needs of ELI households. For example, the element could analyze tenure, cost burden, overcrowding and other household characteristics then examine trends and the availability of resources to determine the magnitude of gaps in housing needs.

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 (p. 74, Figure 10). However, it must include analysis of the condition of the existing housing stock and 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.

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 RHNA of 11,135 housing units, of which 4,370 are for lower-income households. To address this need, the element relies on approved and pipeline projects, as well as nonvacant sites and sites in proposed master plan areas. 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 indicates (p. 238) that 379 units affordable to very low-income and low-income households have been built or are under construction or approved, but provides no information documenting how affordability of the units was determined. As you know, the City's RHNA may be reduced by the number of new units built since , however, the element must describe the City's methodology for assigning these units to the various income groups based on actual sales price or rent level of the units and demonstrate their availability in the planning period.

Additionally, the element identifies a number of "pending" projects that are listed in the sites inventory with no additional analysis as to where these projects are in the development process. First, to count these units as progress towards RHNA, the element should describe the status all projects, not just those with anticipated affordability. Second, the element must demonstrate these units are expected to be constructed during the planning period. To demonstrate the availability of units within the planning period, the element could analyze infrastructure schedules, City's past completion rates on pipeline projects, outreach with project developers, and should describe any expiration dates on entitlements, anticipated timelines for final approvals, and any remaining steps for projects to receive final entitlements. Lastly, given the element's reliance on pipeline projects, the element must include programs with actions that commit to facilitating development and monitoring approvals of the projects (e.g., coordination with applicants to approve remaining entitlements, supporting funding applications, expediting approvals, rezoning or identification of additional sites should the applications not be approved).

Specific/Master Plan Areas: The element identifies the Middlefield Park Master Plan, and the North Bayshore Master Plan as pending projects. It is unclear whether the expected units from these master plans are from actual proposed projects or are anticipated capacity from yet to be proposed projects that will require subsequent approvals. If there are no actual proposed projects, parcels within these master plans should be listed not as a "pending project" but as sites.

Additionally, the element may utilize residential capacity in specific plans to accommodate the RHNA but should account for the number of units realistically anticipated to occur in the planning period. For example, if the master plan has an anticipated build out horizon of 20 years, the number of units should be adjusted for the 8-year planning period. The element should include additional discussion for the Middlefield Park Master Plans and North Bayshore master plans including their anticipated timeline or build out horizon and adjust capacity assumptions if appropriate.

Realistic Capacity: While the element provides assumptions of buildout for sites included in the inventory, the capacity estimate must consider land use controls and site improvements.

Nonvacant Sites: The element states on page 255 that nonvacant opportunity sites in were screened based on specific criteria related to floor area ratio, date of structure, type of

existing use, underutilized surface parking lots occupying a major portion of the site, and/or have landowners that expressed interest in redevelopment. However, the element should clearly relate these criteria to the sites identified. For example, it is unclear which properties have underutilized surface parking or which had expressed interest in redevelopment. In addition, to further demonstrate the development potential of these underutilized sites, the element could also include information related to the condition of the structure and where the uses are operating, marginalized, or for shopping centers, current rate of occupancy.

Additionally, the element identifies appears to identify 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), paragraph (3).

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 must include a program to address this requirement, and it should clarify which sites were identified in prior planning periods. For more information on program requirements, please see HCD's Housing Element Sites Inventory Guidebook at <https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>.

Environmental Constraints: While the element generally describes a few environmental conditions within the City (page 3-35), 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: 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/community-development/housing-element/index.shtml#element> 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 (Single Room Occupancy (SRO) Units): The element does not state in what zones it allows SRO units and should be revised to include this information.

- 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).)

Governmental Constraint (General): The cumulative impact of governmental constraints can impact the feasibility of development as well as costs and supply. Given the complexity of the regulatory and political environment, the element should include an analysis of the combination of potential governmental constraints, including but not limited to land use controls, discretionary actions, permit and entitlement procedures, fees and exactions, and any other ordinances or requirements affecting development. Please note, HCD received many public comments noting concerns related to constraints on the permit and processing of development within the City. In addition, HCD notes Appendix H in the element which provides some analysis of potential constraints and impacts. The City should incorporate this information into the analysis and add or modify programs as appropriate to address constraints.

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 coverage and limits on allowable densities. 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.

Fees and Exaction: While the element provides some basic information on residential development fees starting on pg. 211, it must describe all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. For example, the analysis could 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 <http://www.hcd.ca.gov/community-development/building-blocks/constraints/fees-and-exactions.shtml>. This analysis is particularly important given the fact that HCD has received numerous public comments that fees the City is charging are high and constitute a constraint on development.

Local Processing and Permit Procedures: While the element includes some information about the permit process and processing time, a complete analysis must evaluate the processing and entitlement procedures for potential constraints on housing supply, cost, timing, financial feasibility, approval certainty and ability to achieve maximum densities. While the element includes information about processing times, it should also describe the procedures for a typical single family and multifamily development. The analysis should address the approval body, the number of public hearing if any, approval findings and any other relevant information. 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, the element briefly mentions a “gatekeeper” process on pg. 215. The element should provide further

description and analysis of this process and add or modify programs as appropriate to ensure that the process is not a constraint on housing production.

On/Off Site Improvements: While the element provides a basic description of on and off site improvements on pg. 214, it must identify subdivision level improvement requirements, such as minimum street widths (e.g., 40 foot minimum street width), and analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

Codes and Enforcement: While the element provides some information on relevant codes the City has adopted starting on pg. 219, it must also provide an analysis of the systems the City has in place to enforce these codes.

Constraints on Housing for Persons with Disabilities: The element subjects group homes of seven or more persons to a conditional use permit, unlike other similar uses. For your information, 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. These housing types should not be excluded from residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Requiring these housing types to obtain a special use or CUP could potentially subject 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 specifically analyze these constraints for impacts on housing supply and choices and approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.

Finally, starting on pg. 225, the element identifies approval findings for granting a reasonable accommodation including finding related to impacts on surrounding uses – essentially a conditional use permit finding. However, reasonable accommodation should be a unique exception process from a conditional use permit, especially given its importance in addressing barriers to housing for persons with disabilities. The element should include revise Program 2.4 (Reasonable Accommodations) to amend the Reasonable Accommodation Ordinance and remove constraints, namely the “potential impact on surrounding uses” approval finding.

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.

Other Local Ordinances: The element must analyze any locally adopted ordinances that directly impacts the cost and supply of residential development (e.g., inclusionary requirements, short term rentals, growth controls). Specifically, the element should further analyze inclusionary requirements starting on pg. 209 to ensure that they are not a constraint, and modify Programs as appropriate based on the complete analysis.

Additionally, HCD has been in contact with the City regarding its implementation of State Density Bonus Law (SDBL), and has provided technical assistance to that effect in a letter dated October 8, 2021. Specifically, HCD offered guidance on the manner in which the City applies SDBL in concert with its Community Benefit Zoning program, namely the implementation of floor area ratio (FAR) as a measure of density, and the incompatibility of the State waivers and concessions process with the City's program. The City should review this correspondence and revise Program 1.5 (Density Bonus) to state that the City will review and modify its density bonus ordinance and policies to comply with state law.

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).)*

While the element quantifies the number of the elderly, persons with disabilities, large families, families with female heads of households, and families and persons in need of emergency shelter, it must still quantify the number of farmworkers in the City, and analyze all special housing needs categories. The analysis should include, but is not limited to, factors such as household income, tenure, housing types, zoning, and available resources. Local officials, special needs service providers, or City/County social and health service providers may be able to assist with information to complete the analysis. For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/large-families-female-head-household.shtml>.

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 include the following:

Program 1.1 (Zoning Ordinance Update): This program should describe the desired outcomes or achievements related to the review of local development standards, and provide a distinct milestones for what constitutes a complete assessment. The program's goals and metrics should be reflective of the results of this analysis. Additionally, the program should be revised to carry out a more concrete actions than merely "considering" updated standards for 100 percent affordable housing and other residential development.

Program 1.2 (Religious and Community Assembly Sites for Housing): This program should be revised to provide further detail as to the proposed allowable density for affordable multifamily projects developed in conjunction with nonprofit religious and community assembly uses on large sites. It should also provide greater detail on what the overall process will look like when it is applied.

Program 1.3 (Conservation of Units): The program should be revised to provide a quantifiable outcome for how many units the City anticipates preserving during the planning period.

Program 1.5 (Density Bonus): As noted in finding B5, this program should be revised to state that the City will review and modify its density bonus ordinance and policies to comply with State Law, particularly regarding the giving of incentives and concessions to developers.

Program 1.6 (No Net Loss): This program should be revised to ensure that its activities align with State No Net Loss Law, such as making findings on a project-by-project basis in addition to monitoring sites statuses every six months.

Program 1.7 (Code Enforcement Program): This program should be revised to include further detail as to how exactly reported code violations will be remedied or addressed (e.g. will this enforcement be tied to a housing rehabilitation and/or replacement program?).

Program 1.8 (Multifamily Housing Inspection Program): This program should be revised to provide further detail as to exactly how the Multifamily housing program will be implemented, and provide assurances that its implementation does not violate the City's obligation to AFFH.

Program 1.11 (BMR Program Review): This program should be revised to provide more detail as to what the review of the City's Below-Market-Rate (BMR) program will actually encompass, and provide more concrete and measurable outcomes resulting from this review.

Program 2.1 (Subsidize and support affordable housing programs to meet an array of housing needs, with a particular emphasis on underserved populations): This program should be revised to commit to doing more than just "exploring" innovative programs as appropriate to meet gaps in affordable housing need. All program activities must have concrete actions, timelines, metrics and milestones in order to demonstrate whether progress is being made during the planning period.

Program 3.1 (Homelessness Prevention and Services for the Unhoused): The program should be revised to clearly articulate what the City will do to “support” emergency rental programs and pathways to housing, with specific goals and quantifiable outcomes for the planning period.

Program 3.2 (Displacement Prevention and Mitigation): This program should be revised to increase its quantifiable outcomes and assist more than one naturally occurring affordable project during the planning period, especially given the fact that displacement risk seemed to be a major concern in the public comment HCD received.

Program 4.1 (Development Streamlining and Processing Revisions): This program should be revised to be completed earlier in the planning period, and should also clearly state how its goals and actions reflect the needs highlighted in the analysis of the Governmental Constraints section of the element.

Program 4.2 (Federal, State, and Regional Policy initiatives): This program should be revised to provide concrete goals, metrics and milestones to measure effectiveness throughout the planning period.

Program 4.4 (Partnerships to support affordable housing): This program should be revised to provide concrete goals, metrics and milestones to measure effectiveness throughout the planning period. The program should also make clear if there is already a list of partners the City is considering.

Program 4.7 (Neighborhood Engagement): This program should be revised to demonstrate what actions the City will take to “encourage” developers to engage with community.

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.

3. *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 Finding B5, the element requires a complete analysis of potential governmental 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.

4. *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. The element must be revised to add goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, 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. Currently the element only associates programs with contributing factors, but it does not explain or provide analysis as to how these programs actually address these issues. The element should revise 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, the element 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).

5. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).)*

The element is required to include a program that incentivizes or promotes accessory dwelling unit (ADU) development for very low-, low-, and moderate-income households. While the element included Program 1.4, this program only commits to tracking and monitoring ADU construction, and updating the webpage with resources. The program should be revised to include incentivizes or otherwise promotes ADU development. Examples of incentives include pursuing funding opportunities, modifying development standards, and reducing fees beyond state law, increasing awareness, pre-approved plans, and homeowner/applicant assistance tools. Other strategies could include developing information packets to market ADU construction, targeted advertising of ADU development opportunities or establishing an ADU specialist within the planning department.

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 City made effort to include the public through workshops and surveys, and employed 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, HCD received comments with many meaningful suggestions related to program timing, program commitment and other issues related to zoning and AFFH. HCD encourages the City to consider these comments. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.