

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

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



February 13, 2023

Scott Duiven, Director
Planning and Building Department
City of Healdsburg
401 Grove Street
Healdsburg, CA 95448

Dear Scott Duiven:

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

Thank you for submitting the City of Healdsburg's (City) draft housing element received for review on November 15, 2022, along with revisions received on February 9, 2023. 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 January 27, 2023 with consultants Ashleigh Kanat, Luke Lindenbusch, and Elliot Pickett. In addition, HCD considered comments from TransForm CA, YIMBY Law and Greenbelt Alliance, Legal Aid of Sonoma County, Stephen Sotomayer and Michael Hoevel, pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes these, and other revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6th cycle housing element was due January 31, 2023. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described above, adopt, and submit to HCD to regain housing element compliance.

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 will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

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 Mashal Ayobi, of our staff, at Mashal.Ayobi@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF HEALDSBURG

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).)*

Disparities in Access to Opportunity: While the element includes some information of disparities in access to opportunity across all four subcategories (education, transportation, economic, and environment), it should also compare concentrations of protected groups with access to transportation options, analyze combined housing and transportation cost impacts on protected groups and evaluate employment trends by protected groups.

Local Data and Knowledge, and Other Relevant Factors: The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. For instance, the element should analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

Contributing Factors: The element must list and prioritize contributing factors to fair housing issues. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. The element includes Table 32: Fair Housing Issues, Contributing Factors, and Programs & Actions on pg. 114; however, it should address more than one fair housing issue. 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.

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

Housing Conditions: While the element provides information on substandard conditions based on ACS data, the element should supplement this information with local estimates (code enforcement department) of units in need of rehabilitation (repair) and those in need of replacement (demolition).

3. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Adequate Sites Alternatives: Please note, under limited circumstances, a local government may credit up to 25 percent of their adequate sites requirement per income category through existing units. The element must clarify if the L&M Village meets the Adequate Sites Program Alternative Checklist per Government Code 65583.1(c)(2)(D). In addition, the element should clarify how the Scattered Sites Project meet the Adequate Sites Program Alternative per Government Code section 65583.1(c). Lastly, the element should update the status of the L & M Village and Scattered Sites Projects which had an anticipated occupancy date of August 2022 and Summer 2022. Please see the checklist at https://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/adequate-sites-alternatives/docs/adequate_site_alt_checklist.pdf.

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

Zoning for a Variety of Housing Types (Emergency Shelters): Please be aware Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. For additional information and timing requirements, please see HCD's memo at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf>.

4. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as*

identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)

Growth Control: The element states the City is exempted from the prohibition on growth management ordinances stipulated by SB 330, as Healdsburg is a jurisdiction in an eligible County with a voter-approved initiative prior to the year 2005. However, the element must support this statement by describing if the County also meets the “predominantly agricultural county” designation pursuant to Government Code 66300. Subdivision (b)(1)(E).

Zoning Fees and Transparency: The element must list all fees and clarify its compliance with new transparency requirements for posting all zoning and development standards, and fees for each parcel on the jurisdiction’s website pursuant to Government Code section 65940.1(a)(1).

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

Availability of Financing: The element should discuss whether housing financing, including private financing and government assistance programs, is generally available in the community. This analysis could indicate whether mortgage deficient areas or underserved groups exist in the community. The financing analysis may also identify the availability of financing from private foundations (including bank foundations) corporate sponsors, community foundations, community banks, insurance companies, pension funds, and/or local housing trust funds.

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).)*

Farmworkers: While the element provides an estimate on how many farmworkers live in the City, it should also provide a description of any existing resources or programs, and an assessment of unmet needs, including a description of different housing types (e.g. single-family, multifamily, group quarters) appropriate to accommodate the housing needs of permanent and seasonal farmworkers.

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. (Gov. Code,*

§ 65583, subd. (c).)

Programs must be revised to demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines (month, year), dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. Examples of programs that should be revised with specific commitments include Programs 2.1 (Acquire Multifamily Housing), 5.1 (Continue to implement the Inclusionary Housing Ordinance (IHO)), 5.3 (Incentivize Affordable Accessory Dwelling Units), 6.7 (Improve Infrastructure in Lower Resource Areas), 8.1 (Develop Extremely Low-Income Housing) and 8.3 (Provide Emergency and Transitional Housing).

In addition, examples of programs that should be revised with specific commitment and geographic targeting include Programs 1.2 (Continue to Assist Affordable Housing Developers) and 8.4 (Provide Assistance to Female Head of Households). Finally, Programs 6.4 (Conduct Spanish Language Outreach) and 8.10 (Coordinate with the North Bay Regional Center) should be revised to include geographic targeting.

- 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 A3, 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, Program 8.13 (Eliminate Constraints to Emergency Shelters) states that the City will update emergency shelter parking to be consistent with SB 2. The Program should be revised to ensure consistency with Government Code section 65583, subdivision (a)(4)(A) which allows sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.

- 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).)*

Program 8 (Extremely Low-Income, Homeless, and Special Needs Housing Program): While the element includes Program 8 to assist in the development of extremely low income, homeless and special needs, it should consider expanding the Program to all lower-income households. In addition, the Program should consider including other commitments such as 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.

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... (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Findings A4 and A5 the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

In addition, the element includes Program 2.5 (Measure and Consider Strategies to Mitigate Loss of Housing Stock to Second Homes) to track and report second home conversions as part of the Annual Progress Report, however the Program should also include specific actions to mitigate the loss of housing to second homes within a reasonable timeframe.

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

As noted in Finding A1, the element requires a complete Affirmatively Furthering Fair Housing (AFFH) analysis. The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. In addition, 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, geographic targeting, metrics or numeric targets, and milestones and, as appropriate, must address, housing mobility enhancement, new housing choices and affordability in relatively higher opportunity or income areas, place-based strategies for community revitalization and displacement protection.

C. 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).)

The element must demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. While the element describes public outreach strategies including mailers, door-to-door canvassing, and digital media resources distributed by the City (p. 13), it should also describe the efforts to involve stakeholders and organizations that work directly with lower income residents as well as special needs groups.