

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

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November 1, 2022

Jessica Jones, Deputy Director
Planning Division
City of Santa Rosa
100 Santa Rosa Avenue
Santa Rosa, CA 95404

Dear Jessica Jones:

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

Thank you for submitting the City of Santa Rosa's (City) housing element received for review on August 3, 2022, along with revisions received on October 27, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on October 13, 2022, with you; Amy Lyle, Supervising Planner – Advance Planning; Beatriz Guerrero Auna, Senior Planner; and the City's consultant Cynthia Walsh. In addition, HCD considered comments from, California Rural Legal Assistance, TransForm and Josh Albrektson 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). See enclosed Appendix.

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

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>.

HCD appreciates the hard work and dedication the City's housing element 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 Fidel Herrera, of our staff, at Fidel.Herrera@hcd.ca.gov.

Sincerely,

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

Melinda Coy
Proactive Housing Accountability Chief

Enclosure

APPENDIX CITY OF SANTA ROSA

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).)

The element should evaluate the effectiveness of Program H-D-12, H-D-13, H-D-14, H-D-15, and H-D-16. These programs should provide a description of the actual results or outcomes of the prior housing-element's goals (what happened), objectives, policies, and programs. The results should be quantified where possible (e.g., number of units rehabilitated) and may be qualitative where necessary (e.g., mitigation of governmental constraints).

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: According to third party comments received there are multiple lawsuits against the City related to violations of unhoused people's civil rights and discrimination against people with disabilities. The element must include findings, lawsuits, enforcement actions, settlements, or judgments related to fair housing or civil rights.

Integration and Segregation: The element includes data on integration and segregation at the local and regional level for race, disability and familial status; however, it does not include sufficient regional information to adequately compare income to the City. The element must include additional information related to income on a regional level.

Access Disparities in Access to Opportunity: The element provided information on education on a local level; however it does not provide sufficient regional information to adequately compare education to the City. For example, the element could provide a comparison on a local and regional level based on statistics such as performance levels of school districts. In addition, for economic the element states the City has similar unemployment rate as other jurisdictions in the North Bay region, however it does not provide statistics on similarities.

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 includes some information on the age of the housing stock, it must also estimate the number of units in need of rehabilitation and replacement. For example, the analysis could use code enforcement activity to calculate a city-wide estimate.

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).)*

Approved/Pending Sites: The housing element relies on approved/pending projects to accommodate the City's regional housing need for lower-income households. While the housing element includes the number of units for each project by income group, it does not provide an analysis demonstrating the affordability. The element should describe the status of the project, including any necessary approvals or steps prior to development, development agreements, conditions, or requirements such as phasing or timing requirements that impact development in the planning period, and the affordability of the project's units based on anticipated rents, sales prices or other mechanisms (e.g., financing, affordability restrictions) ensuring their affordability.

Realistic Capacity: While the element provides assumptions of realistic capacity of 80 percent on vacant sites and assumes 50 percent on the Downtown Station Specific Plan to plan for any nonresidential uses, it must also provide support for 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 in the City, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. The element includes three project examples on Table 5-5 to demonstrate realistic capacity, however it is unclear if the three examples represent a trend for all developments at similar affordability levels in the City.

Large Sites: The element includes one site larger than ten acres (Site 7, APN 036-011-041 is 10.43 acres). Sites larger than ten acres in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower-income housing units as projected for the site or unless the housing element describes other evidence to HCD that the site is adequate to accommodate lower income housing (Gov. Code, § 65583.2, subd. (c)(2)(A).). For example, a site with a proposed and approved housing development that contains units affordable to lower-income households would be an appropriate site to accommodate housing for lower-income households. (Gov. Code, § 65583.2, subd. (c)(2)(C).).

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.

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).)*

Processing and Permit Procedures: The element must evaluate the processing and permit procedure impacts as potential constraints on housing supply and affordability. The element should describe and analyze the total permit and entitlement process for a typical single-family unit, subdivision, and multifamily project. Description should include typical processes required for single-family and multifamily projects and an estimate of total typical time necessary to complete the entitlement process. The element should clarify how the estimated total processing time on Table 6-7, page 6-22 aligns with the timelines for permit procedures on Table 6-8. In addition, the element states the streamlined process for housing projects within the City's PDAs sunsets in December 2023. The element should evaluate this requirement and what happens after December 2023.

While the element describes the design review findings and process, it must analyze the requirements. As shown on page 6-24, many of the findings for approval are subjective and must be evaluated for impacts on housing cost, supply, timing and

approval certainty. This is particularly critical as it appears that every application for development permit must go through a design review.

Growth Control: While the element states the City is exempt from the growth management aspect of The Housing Crisis Act (Government Code section 66300, subdivision (b)(1)(D)) because the City is located with an agricultural/rural County, it must support this statement by describing how the County meets the “predominantly agricultural county” designation pursuant to Government Code 66300(b)(1)(E).

5. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)*

Homelessness: Pursuant to third party comments there is a significant concern on how the City is addressing homelessness. The element should describe in more detail the Community Homeless Assistance Program (CHAP), its use, and if there are any constraints in the use of the program. In addition, the element should also analyze the types and characteristics of shelter options within the City and their accessibility to people with varying types of disabilities including developmental and mental health.

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. (Gov. Code, § 65583, subd. (c).)*

Program H-20 (Housing for Persons Experiencing Homelessness): Currently the program commits to explore new models for providing temporary housing solutions in response to emerging needs and emergency situations, including non-congregate shelters. To demonstrate Program H-20 will have a beneficial impact within the planning period, the program should be amended to include specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. For example, the element could commit to an action, such as adoption of policies to promote new models or allocation of funding for new models.

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. (Gov. Code, § 65583, subd. (c)(1).)*

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

3. *Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of January 18, 2022 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 B4, 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.

Constraints on Housing for Persons with Disabilities: While program H-34 commits to review and revise reasonable accommodation findings including the finding regarding “potential impacts on surrounding uses” the program should also ensure that the revised reasonable accommodation procedure is consistent with federal and state guidance related to reasonable accommodation.

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 affirmatively furthering fair housing (AFFH). Based on the outcomes of that analysis, the element must add or modify programs.