GAVIN NEWSOM, Governor

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



April 26, 2021

Leilani Hines, Housing Manager Development Services Department City of Chula Vista 276 Fourth Avenue Chula Vista, CA 91910

Dear Leilani Hines:

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

Thank you for submitting the City of Chula Vista's (City) draft housing element received for review on February 25, 2021, along with revisions received on April 21, 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 telephone conversation on April 15 with Leilani Hines, Housing Manager, and Scott Donaghe, Principal Planner. In addition, HCD considered comments from the San Diego Housing Federation 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).

1. Affirmatively Furthering Fair Housing

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)).

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

Additional analysis is needed to comply with State Housing Element Law regarding affirmatively furthering fair housing. The housing element must include an identification and analysis of integration and segregation at the local level describing patterns for familial status, persons with disabilities, racial groups, and households by income. At the regional level, the element must include analysis for persons with disabilities, familial status, racial groups, and households by income. At the status, racial groups, and households by income. The element must also include analysis

around disproportionate housing needs, specifically addressing overpayment, overcrowding, and displacement risks. The element must also describe access to opportunity by providing maps at the local level and adding a regional analysis. The element must identify and prioritize jurisdiction-specific contributing factors to fair housing issues within the City. Currently, the element uses the regional analysis of impediments. Lastly, the element must include analysis and/or narrative around local knowledge and other relevant factors, how the sites inventory Affirmatively Furthers Fair Housing and programs that (1) enhance housing mobility strategies, (2) encourage development of new affordable housing in areas of opportunity, (3) improve place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and (4) protect existing residents from displacement. HCD will send data and examples under separate cover.

Based on the outcomes of this analysis, the element must include programs as appropriate.

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

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).)

<u>Realistic Capacity</u>: The element must include an analysis to support the number of units estimated on each site in the inventory and the likelihood of residential development in zones allowing non-residential uses (e.g., Agricultural and Commercial zones). HCD will send examples under separate cover.

<u>Nonvacant Site Analysis</u>: The element briefly describes general trends in conversion of commercial or office uses to residential uses but must provide additional analysis to fully meet the requirements. The element must include an analysis to demonstrate the potential for redevelopment. The analysis shall consider factors including, but not limited to, the extent existing uses constitute an impediment, recent developments, development trends and market conditions. HCD will provide examples of adequate analyses under separate cover.

3. 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 need in accordance with Government Code section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)

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)).

<u>Identified Densities and Approval Times</u>: The element provides a general overview of the City's efforts to address nongovernmental constraints but must fully describe any requests to develop housing at densities below those anticipated in the sites inventory and the length of time between receiving approval for housing development and submittal of application for building permits. The analysis must address any hinderance on housing development.

Based on the outcomes of this analysis, the element must include programs as appropriate.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

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.

As a reminder, the City's 6th cycle housing element was due April 15, 2021. 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 make revisions to the element as described above, adopt, and submit to HCD to regain housing element compliance.

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 April 15, 2021 for SANDAG 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: <u>http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf</u>

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 lowerincome and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

For your information, some General Plan element updates are triggered by housing element adoption. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <u>http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf</u> and <u>http://opr.ca.gov/docs/Final_6.26.15.pdf</u>.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City meets housing element requirements for these and other funding sources.

HCD appreciates the professionalism and dedication you and Scott Donaghe, Principal Planner displayed during the course of our review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Jose Ayala, of our staff, at Jose Ayala@hcd.ca.gov.

Sincerely,

Shannan West Land Use & Planning Unit Chief