



BLUE LAKE PLANNING COMMISSION MEETING AGENDA

Monday, November 21, 2022

7:00 P.M.

**Community Center - 111 Greenwood Road
(Skinner Store Building behind City Hall)**

1. **Approval of Minutes: October 17, 2022**
2. **Public Input** – *The Public is invited to present petitions, make announcements, or provide other information to the Planning Commission that is relevant to the scope of authority of the City of Blue Lake that is not on the Agenda. The Planning Commission may provide up to 15 minutes for this public input session. To assure that each individual presentation is heard, the Planning Commission may uniformly impose time limitations of 3 minutes to each individual presentation. The public will be given the opportunity to address items that are on the agenda at the time the Planning Commission takes up each specific agenda item.*

3. **Approval of Agenda**

Discussion / Action:

4. **Discussion: General Plan Housing Element Update. Revisions to the Draft Housing Element for the 6th cycle planning period to respond to comments from the California Department of Housing and Community Development.**
5. **Miscellaneous Planner Items.**
6. **Upcoming Planning Commission Meetings for the next 3 months will be on December 19, 2022, January 16, 2023, and February 20, 2023.**
7. **Adjournment by 9:00 pm unless extended by the Planning Commission.**

A request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting, by contacting City Manager Amanda Mager, (707) 668-5655, at least 24 hours prior to the commencement of the meeting.

**City of Blue Lake
Draft Planning Commission Meeting Minutes
October 17, 2022**

The Blue Lake Planning Commission Meeting was called to order at 7:00 p.m.

Commissioners Present: Earl Eddy, Richard Platz, Matt Schang, Robert Chapman, and Cort Pryor

Commissioners Absent: None

Staff Present: City Manager Amanda Mager and City Planner Garrison Rees

Staff Absent: Planning Commission Secretary Cheryl Turner

Public Present: Jean Lynch and Sarah Malast

1. Approval of Minutes: September 19, 2022

- a. Motion (Chapman, Platz) to approve September 19, 2022 minutes as written.
- b. Motion passed (5-0).

2. Public Input on Non-Agenda Items

- a. None.

3. Approval of the Agenda

- a. Motion (Pryor, Schang) to approve agenda.
- b. Motion passed (5-0).

Discussion/ Action:

4. Public Hearing/Action: Amendment of Section 17.16.111 (Opportunity or O Zone) of Title 17 (Zoning) of the Municipal Code to allow emergency shelters as a principally permitted use type without discretionary review. This use type would allow housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person.

- a. Planner Rees presented a summary of the staff report and discussed staff's recommendation for amendment of the Opportunity (O) zone to allow emergency shelters as a principally permitted use subject to certain objective standards. Planner Rees noted that the objective standards recommended related to the provisions of onsite management and security, number of beds allowed, and the distance between shelters.
- b. Planner Rees explained that staff is also recommending an amendment to some of the stated purposes of the O zone to ensure internal consistency between the stated purposes and the development standards. The recommended amendments would remove language about residential uses being secondary to commercial and manufacturing uses since, with a use permit, the development standards allow residential uses to occupy up to two-thirds of a development project.

- c. Planner Rees presented a comment letter received from Jean Lynch requesting clarification of the term homeless persons and asking what facilities in Blue Lake currently serve as emergency shelters. Planner Rees responded to the comment letter and explained how the term homeless person is defined by the Department of Housing and Community Development. Planner Rees also noted that the facilities in the City that would function as emergency shelters during a natural disaster include Prasch Hall and the Skinner Store. Planner Rees added that these facilities are not officially designated by the Red Cross or other agencies/organizations as emergency shelters, but City staff is working on getting them designated for that purpose.
- d. Chair Eddy opened the public hearing.
- e. Jean Lynch provided comments stating the following: 1) expressed concern that Prasch Hall and the Skinner Store are not currently designated as emergency shelters; 2) asked where funding would come from for the development and operation of emergency shelters; and 3) expressed that the Powers Creek District would not provide opportunity for homeless persons since it lacks services, transit, educational opportunities, etc.
- f. Chair Eddy asked Planner Rees to clarify what action the Planning Commission is being asked to take and whether the City itself would be developing and operating emergency shelters.
- g. Planner Rees responded that the Planning Commission is being asked to adopt a recommendation to the City Council for amendment of the O zone to: 1) allow emergency shelters as a principally permitted use; and 2) amend some of the stated purposes of the zone so they are consistent with the development standards. Planner Rees explained that the City is not proposing to develop and operate emergency shelters. Planner Rees added that the City is required by State law to provide a zone where emergency shelters are allowed without discretionary review and the properties in the zone must have the ability to accommodate emergency shelters (e.g., vacant sites or vacant buildings). Planner Rees explained that City staff is recommending allowing emergency shelters in the O zone because it has several acres of vacant land and/or underutilized sites. Planner Rees concluded that although the City of Blue Lake may not be as optimal of a location for emergency shelters as the larger cities in the Humboldt Bay region, there is a homeless population that has been documented in the Mad River Valley and the City is required to have a zone where the shelters can be developed.
- h. Planner Rees provided a summary of Resolution No. 3-2022, which contains the findings for the Planning Commission's recommendation to the City Council for amendment of the O zone. Planner Rees explained that comments on the proposed amendments were received by the California Department of Housing and Community Development after the agenda packet was completed for tonight's meeting. The comments stated that the City cannot require a distance greater than 300 feet between emergency shelters. Currently the recommended amendments propose a separation distance of 2,000 feet between shelters. Planner Rees instructed that if the Planning Commission chooses to adopt Resolution No. 3-2022, they should do so with the separation distance revised to 300 feet.
- i. Motion (Eddy, Platz) to approve Resolution No. 3-2022, a Resolution of the Planning Commission of the City of Blue Lake Recommending Amendment of Section 17.16.111

(Opportunity or O Zone) of Title 17 (Zoning) of the Blue Lake Municipal Code.

- j. Motion passed (5-0).

5. Planning Commission Discussion: Storyland Studios Presentation – Blue Lake RV Park and Campground Project.

- a. Manager Mager provided a brief introduction of the Blue Lake RV Park and Campground Project and then played a recorded presentation from Storyland Studios about the proposed design.
- b. After the presentation, the Commissioners discussed the proposal and took turns providing input on the project.
- c. Commissioner Chapman questioned why the presentation was focused on all other aspects of the project except the RV park portion. Commissioner Chapman also inquired why a community center is proposed to be developed at the site.
- d. Vice-Chair Platz stated that he thinks the project idea is crazy and expressed that he does not think it would be desirable to have a bunch of tourists crowding Blue Lake.
- e. Commissioner Pryor indicated that he thought the presentation was too corporate and polished. Commissioner Pryor stated that he generally supports the project concept but thinks the messaging and presentation is wrong for the community. He concluded that he wants to see the project be truer to Blue Lake.
- f. Both Chair Eddy and Commissioner Schang indicated that they understand the other Commissioners perspectives. They concluded that they are generally in support of the project but don't like how it is presented and would like to see it be more "Blue Lake."
- g. Manager Mager addressed some of the Commissioners comments and provided an overview of the process for developing the project concept and design. Manager Mager described the public outreach that occurred throughout the process and the market analysis completed to determine project feasibility. Manager Mager explained that the project would provide much needed revenue to the City in the form of sales tax and transient occupancy tax. Manager Mager concluded that there are always going to be members of the community that are opposed to growth, but that this project would provide more community benefits than impacts.

6. Miscellaneous Planner Items

- a. Manager Mager provided the Planning Commissioners with an update on the bike park project proposed in the Powers Creek District.

7. Upcoming Planning Commission Meetings for the next 3 months will be on November 21st, 2022, December 19th, 2022, and January 16th, 2023.

- a. Commissioners Chapman indicated that he will not be available for the November meeting.

8. Adjournment by 9:00 pm unless extended by the Planning Commission.

- a. Motion (Chapman, Platz) to adjourn.
- b. Motion passed (5-0).
- c. Meeting adjourned at 8:44 p.m.



CITY OF BLUE LAKE

Post Office Box 458, 111 Greenwood Road, Blue Lake, CA 95525
Phone 707.668.5655 Fax 707.668.5916

DATE: November 18, 2022

FROM: Garry Rees, City Planner

TO: Blue Lake Planning Commission

RE: Item 4 – Planning Commission Discussion: General Plan Housing Element Update. Revisions to the Draft Housing Element for the 6th cycle planning period to respond to comments from the California Department of Housing and Community Development.

As discussed with the Planning Commission at the last several meetings, City staff submitted the Draft Housing Element Update to the Department of Housing and Community Development (HCD) at the end of May for a 90-day review period. On August 29, 2022, the City received a letter from HCD with comments on the Draft Update (see attached). On September 13, 2022, City staff met with HCD staff to discuss the comments and receive additional direction on the required revisions. Since that time, City staff has been working on revising the Draft Update to address the comments from HCD. These revisions include adding new data, additional analysis, and adding several new programs to the Draft Update that address: 1) amendments to the Zoning Code to remove constraints to the development of housing for a variety of income levels; 2) monitoring of housing production and affordability and taking additional actions if production is lagging; and 3) committing to constructing wastewater treatment plant improvements within the planning period needed to serve the sites identified as accommodating the City's share of the regional housing need.

Below are the programs which have been added or revised so far based on the comments from HCD. There may be some additional programs or revisions once City staff completes responding to the comments from HCD. All revisions to the Draft Update will need to be reviewed by HCD prior to proceeding further through the adoption process with the Planning Commission and City Council. Since several of the new programs were not previously considered by the Planning Commission, the Commission will need to amend its recommendation to the City Council prior to the Council considering adoption of the Housing Element Update.

Implementation Programs

HI-1 Amend the Zoning ~~Ordinance~~Code to address the following:

- **Accessory Dwelling Units (ADUs).** Allow Accessory Dwelling Units (ADU) in accordance with current State law for ADUs. ~~Assembly Bill 2299 and Senate Bill 1069. Consider adopting a Junior Accessory Dwelling Unit (JADU) ordinance to allow for a simple and affordable housing option.~~ To ensure the City's ADU standards are compliant with State law and remain compliant in perpetuity, the City will amend the Municipal Code to cite/reference State law for ADUs. The amendment to the

Municipal Code will be provided to HCD for review and recommendation if any changes are required to achieve compliance.

- **Manufactured housing/Mobile homes.** Allow manufactured housing and mobile homes in the same manner and in the same zones as conventional or stick-built structures are permitted (Government Code Section 65852.3).
- **Single Room Occupancy Units (SROs).** Define and allow principally permitted in the **Residential Multiple-Family (R-3)**, Mixed-Use (MU), Opportunity (O), and Planned Development Residential (PDR) zones.
- **Transitional and Supportive Housing.** Define **transitional and** supportive housing. Permit transitional and supportive housing as permitted uses subject to only the same restrictions on residential uses contained in the same type of structure (**e.g., single-family residences**). In addition, supportive housing will be allowed as a permitted use, without discretionary review, in zones where multi-family and mixed uses are permitted, including nonresidential zones permitting multi-family uses.
- **Emergency Shelters.** Allow by-right, without discretionary review, in the ~~Mixed-Use (MU)~~, Opportunity (O), ~~or Planned Development Residential (PDR)~~ zoning districts.
- **Employee Housing.** Comply with the State Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6). **This includes the following amendments: 1) amendment of the Zoning Code to allow agricultural employee housing for six or fewer persons by-right in the Residential One-Family (R-1) zoning district, subject to the same regulations as a single-family dwelling; 2) amendment of the Zoning Code to allow agriculture employee housing of no more than 12 units or 36 beds as a by-right agricultural use in the Agricultural Exclusive (AE) zoning district; and 3) amendment of the definition of “Farm Dwelling” in the Zoning Code to be consistent with Health and Safety Code Section 17026.1.**
- **Density Bonus.** Comply with state density bonus law (Government Code [GC] Section 65915, as revised). Promote the density bonus through informational brochures, which will be displayed at City Hall.
- **Reasonable Accommodation.** Develop and formalize a process that a person with disabilities will need to go through to make a reasonable accommodation request in order to accommodate the needs of persons with disabilities and streamline the permit review process. The City will provide information to individuals with disabilities regarding reasonable accommodation policies, practices, and procedures based on the guidelines from HCD. This information will be available through postings and pamphlets at the City and on the City’s website.
- **Residential Care Facilities.** Allow for residential care homes with six or fewer persons by-right in all residential zones subject only to the same restrictions **applicable to other residential uses** in that zone; and allow larger group homes of seven or more persons in the **Residential Multiple-Family (R-3)**, Mixed-use (MU), Opportunity (O), and Planned Development Residential (PDR) zoning districts with a conditional use permit **and subject only to the same restrictions applicable to other residential uses in that zone.** Additionally, the City will amend the ~~Zoning Ordinance~~**Code** to update its definition of “family” to be “One or more persons living together in a dwelling unit.”

Responsibility: City Council, Planning Commission, **and** Planning Staff.

Time Frame: Amend the Zoning Code by April 2023 **within one-year of adoption of the Housing Element.** Consider adoption of a JADU ordinance by August 2022. **The Zoning Code amendment related to emergency shelters will be completed prior to adoption of the Housing Element.**

Funding Source: General Fund and/or grants.

- HI-2 AB 101 (2019), review the City's Zoning Ordinance Code and make revisions if necessary, to allow low barrier navigation centers for the homeless per Government Code 65660-65668.

Responsibility: City Council, Planning Commission, and Planning Staff.

Time Frame: Review zoning by 2022 **in 2023.** Make **any necessary** revisions by June 30, 2023 **within one-year of the adoption of the Housing Element.**

Funding Source: General Fund.

- HI-14 To ensure that the use permit process for multi-family projects does not impact the timing, cost, or supply of multi-family development, the City will adopt and apply a Residential High Density (RHD) Combining Zone to sites in the **Residential Multiple-Family (R-3),** Mixed-use (MU), Opportunity (O), **and/or** Planned Development Residential (PDR) zones to allow multi-family residential uses by-right **at a density of 16 units per acre.** ~~This by-right (without discretionary review) requirement is only for housing developments in which at least 20 percent of the units are affordable to lower income households.~~ The City will also review development standards including, but not limited to, height, lot coverage and density, to ensure they do not constrain the development of housing.

Responsibility: City Council, City Clerk, and Planning Staff.

Time Frame: Adopt the Residential High Density (RHD) Combining Zone and apply to sites zoned Mixed-use (MU), Opportunity (O), or Planned Development Residential (PDR) to allow multi-family residential uses by-right within ~~3~~ **three** years ~~from~~ **of** adoption of ~~this~~ **the** Housing Element.

Funding Source: General Fund **and/or Grants.**

- HI-17 As required by the Annual Progress Report process, the City will monitor the production and affordability of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) during the planning period. If ADU production does not meet the projections in the Housing Element, additional actions will be taken in consultation with HCD. The additional actions could include but are not limited to 1) conducting outreach to inform the public about current State law for ADUs and the benefits of ADU development; 2) amending the Municipal Code to incorporate ADU standards that are more permissive than current State law; or 3) rezoning sites in the City that have non-residential zoning to zones allowing residential development.**

Responsibility: Planning Staff and Building Official.

Time Frame: ADU production and affordability will be monitored annually throughout the planning period. If additional actions need to be taken due to lack of ADU production, those actions will be taken within one-year of the City determining that the projections in the Housing Element are not being met.

Funding Source: General Fund and/or Grants.

HI-18 To address the potential for insufficient wastewater treatment capacity during a portion of the planning period, the City shall construct the wastewater treatment plant improvements identified in its Capital Improvement Plan within two years of adopting the Housing Element. These improvements include electrical panel upgrades and the installation of two (2) 5 horsepower aerators, which are estimated to provide an additional 180 residential equivalent units (REUs).

Responsibility: City Council, City Manager, Public Works Department, and City Engineer.

Time Frame: The improvements to the wastewater treatment plant will be completed within two years of adoption of the Housing Element.

Funding Source: Wastewater Enterprise Fund, Development Impact Fees, and/or Grant Funding.

HI-19 To remove potential constraints to the development of multi-family housing, the City shall amend the following development standards in the Zoning Code:

- Zoning Code Section 17.16.080(C)(1)(b) requires a maximum ground coverage standard of 40 percent for the Planned Development Residential (PD-R) zone. This section shall be amended to allow a maximum ground coverage of 60 percent, which is the same as several other zones in the City allowing multi-family housing (e.g., R-2, R-3, and MU zones).
- Zoning Code Section 17.16.080(C)(1)(a) requires a maximum building height standard of 30 feet for all other structures, which includes multi-family housing. This section shall be amended to allow a maximum building height of 35 feet for all structures, which is the standard required for single-family structures in the Planned Development Residential (PD-R) zone.
- Zoning Code Section 17.16.080(C)(1)(c) requires the following setbacks for all other structures, which includes multi-family housing: Front – 25 feet, Side – 10 feet, Rear – 25 feet. This section shall be amended to allow the following setbacks for multi-family structures: Front – 15 feet, Side – 5 feet, and Rear – 20 percent of lot depth to a maximum of 20 feet. This amendment would make the PDR zone setbacks for multi-family housing more consistent with other zones allowing multi-family housing in the City.
- Zoning Code Sections 17.16.040(C)(5) and 17.16.110(D)(4) require the following maximum building height standard, “35 feet, not exceeding two stories.” These sections of the Residential Two-Family (R-2) and Mixed-Use (MU) zones shall be amended to remove the limitation on the number of building stories. This amendment would make the R-2 and MU building height standards more consistent with other zones allowing multi-family housing in the City.

Responsibility: City Council, Planning Commission, and Planning Staff.

Time Frame: Amend the Zoning Code within one-year of adoption of the Housing Element.

Funding Source: General Fund and/or Grants.

HI-20 To comply with the transparency requirements in Government Code Section 65940.1(a)(1), the City shall upload the following documents to the City of Blue Lake website so they are readily available for public review: 1) schedule of fees; 2) zoning map; 3) list of information required for a complete development application; 4) current and five previous annual fee reports or the current and five previous annual financial reports; and 5) an archive of impact fee nexus studies, cost of service studies, or equivalent.

Responsibility: City Council, City Manager, City Staff.

Time Frame: The required document will be uploaded to the City's website within one-year of the adoption of the Housing Element.

Funding Source: General Fund and/or Grants.

HI-21 To comply with the requirements for objective standards in Government Code Section 65589.5, subdivision (f), the City shall replace the subjective review criteria for the Site Plan Approval process (i.e., "Principles to Be Followed" in Zoning Code Section 17.24.250(F)) with objective standards. Objective standards are defined as those that involve no personal or subjective judgment by a public official and being uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official reviewing the project.

Responsibility: City Council, City Manager, and City Staff.

Time Frame: Amend the Zoning Code within one year of adopting the Housing Element.

Funding Source: General Fund and/or Grants.

HI-22 To minimize the potential for confusion regarding the applicability of the City's design guidelines, the City shall amend all zones that reference the guidelines (e.g., MU, RC, etc.) to make it clear that they are recommendations and not enforceable standards of the Zoning Code.

Responsibility: City Council, City Manager, and City Staff.

Time Frame: Amend the Zoning Code within one-year of adoption of the Housing Element.

Funding Source: General Fund and/or Grants.

HI-23 To ensure housing development in the City is occurring at the projected densities consistent with the income categories anticipated, the City will annually review building development on the vacant and likely developable sites included in the sites inventory of this element. If the annual review shows that sites are not providing sufficient opportunities for housing affordable to lower-income households, the City will review its Zoning Code to consider other measures, including the adoption of incentives or regulatory mechanisms to encourage construction at the mid-point or higher end of the density range. These measures could include but are not limited to: 1) requiring a minimum residential density; and 2) density bonuses (i.e., specifying

development standards that may be modified to make units more affordable – reduced lot sizes, increased ground coverage, etc.).

Responsibility: City Council, City Manager, and City Staff.

Time Frame: Housing production and affordability will be monitored annually throughout the planning period. If additional actions need to be taken due to the lack of housing production, those actions will be taken within one-year of the City determining that the sites are not providing sufficient opportunities for housing affordable to lower-income households.

Funding Source: General Fund and/or Grants.

RECOMMENDATION:

- 1) Receive presentation from City staff on the proposed revisions to the Draft General Plan Housing Element Update.
- 2) Discuss the proposed revisions to the Draft Update and ask questions of City staff.
- 3) Provide direction to City staff on the proposed revisions to the Draft Update.
- 4) Continue the item to the next regularly scheduled Planning Commission meeting.

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

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Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



August 29, 2022

Amanda Mager, City Manager
City of Blue Lake
PO Box 458
Blue Lake, CA 95525

Dear Amanda Mager:

RE: City of Blue Lake's 6th Cycle (2019-2027) Draft Housing Element

Thank you for submitting the City of Blue Lake's (City) draft housing element received for review on May 31, 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.

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.

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.

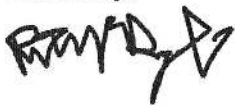
Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; 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.

Amanda Mager, City Manager
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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,

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

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF BLUE LAKE

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).)

Due to the lack of an adopted 5th cycle housing element, the element relies on the adopted 4th cycle housing element to analyze the effectiveness of past programs. However, the element must still 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).

In addition, the element should expand discussion on why the senior housing project that was proposed in the 5th cycle (Programs 19 and 20) ultimately did not move forward. This analysis could be utilized to identify potential constraints rendering project infeasible and programmatic solutions to facilitate future development.

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))*

Please be aware, while the element included an Affirmatively Furthering Fair Housing (AFFH) analysis, HCD did not consider this part of its review as the analysis was not required for housing elements due prior to January 1, 2021.

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).)*

Employment: While the element includes data and analysis on employment trends within the City, it should identify who the major employers are in the City as well as clearly state the unemployment rate.

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 Stock Condition: The element identifies the age of the housing stock. 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 nonprofit housing developers or organizations. For additional information, see the *Building Blocks* at <https://www.hcd.ca.gov/housing-stock-characteristics>.

Overpaying Households: While the element quantifies the number of overpaying households, it must still provide an analysis of the data to determine if programs are needed to address issues related to cost burden.

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).)*

Sites Inventory: The City has a regional housing need allocation (RHNA) of 23 housing units, of which 11 are for lower-income households. The element identifies an unaccommodated need from the prior planning period of 11 housing units, 5- lower income units. To address this need, the element relies on vacant sites to meet the RHNA. The element categorizes these sites into green (likely developable), yellow (questionable), and red (not developable). While red category sites appear not to be utilized to meet the RHNA, it is unclear if capacity on yellow sites is anticipated to accommodate the RHNA. The element should also describe what factors are included in the determination of likely developable, questionable, and not developable assumptions associated with each site.

Additionally, sufficient sites must be identified for above-moderate households. The element will have to either revise some moderate assumptions and allocate them toward above moderate-income RHNA, identify additional sites, or rezone.

Realistic Capacity: While the element provides assumptions of buildout for sites included in the inventory and details on site development (p. 35), 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 realistic unit potential may rely on established minimum density standards or include analysis

demonstrating how the number of units for each site was determined. (Gov. Code, § 65583.2, subd. (c).) 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 that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. The element also needs to analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow nonresidential uses (e.g., mixed-use). This analysis should consider the likelihood of 100 percent nonresidential development, performance standards, and development trends supporting residential development.

Zoning to Accommodate Lower-Income RHNA: Pursuant to Section 65583.2(c)(3)(A) and (B), the element must identify sites with zoning and densities appropriate to encourage and facilitate the development of housing for lower-income households based on factors such as market demand, financial feasibility and development experience within zones. For communities with densities that meet specific standards (at least 15 units per acre for Blue Lake), this analysis is not required (Section 65583.2(c)(3)(B)). While the element lists some sites identified to accommodate the lower-income need at 17 units per acre, site 025-121-008 (designated to accommodate lower-income) appears to only allow 7 units per acre. Therefore, if this site is relied on to meet the lower-income RHNA, element must include a complete analysis.

Suitability of Nonvacant Sites: According to the footnote on page 43, the City is not relying on capacity on nonvacant sites (Table 22) to meet the RHNA. If the City is relying on underutilized land it must describe all existing uses (such as surplus school site, operating business, nursery, etc.) and evaluate the extent these uses would constitute an impediment to new residential development. Among other things, this analysis includes considerations for the current market demand for the existing use, an analysis of any known existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development and could include other market conditions that would encourage redevelopment of the property like the condition or age of existing uses, or valuation.

Large Sites: According to the footnote on page 43, the City is not relying on capacity on APN 312-161-020 (Table 22) to meet the RHNA. As this site is over ten acres, if the City relies on this site it must demonstrate 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).)

Accessory Dwelling Units (ADU): While the element projects the development of 13 low-income ADUs and 7 low-income Junior Accessory Dwelling Units (JADUs) throughout the planning period, it does not have trends to support this assumption. Given that the City has not produced any ADUs since 2018, it is not clear if this production level will be achievable in the planning period. As a result, the element should be updated to include a realistic estimate of the potential for ADUs and include policies and programs that

incentivize the production of ADUs. Depending on the analysis, the element must commit to monitor ADU production throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. In addition to monitoring production, this program should also monitor affordability. Additional actions, if necessary, should be taken in a timely manner (e.g., within six months). Finally, if necessary, the degree of additional actions should be in stride with the degree of the gap in production and affordability. For example, if actual production and affordability of ADUs is far from anticipated trends, then rezoning or something similar would be an appropriate action. If actual production and affordability is near anticipated trends, then measures like outreach and marketing might be more appropriate.

Availability of Infrastructure: While the element discusses the wastewater plan, it must clarify the implementation date and whether it will be complete and available for sites identified in the inventory. In addition, the element must add a program to address sewer capacity needs accommodate the RHNA. If the requisite infrastructure capacity is not available upon adoption of the housing element, the housing element must include program actions (e.g., implementation of capital improvement plans, financing through general obligation or special district bonds, etc.) to address infrastructure capacity limitations or shortfalls. The element must also clarify whether there is sufficient water supply to accommodate the RHNA.

Environmental Constraints: While the element describes infrastructure and flooding constraints on page 44, it must identify whether any of the sites in the inventory are impacted and provide analysis or program actions to address the constraints. For example, APNs 025-101-007, 025-101-013, and 025-111-007 have large wetland areas which must be considered in realistic capacity and development potential considerations.

Sites with Zoning for a Variety of Housing Types: While the element includes Table 26 (Housing Types Permitted by Zoning District), it does not describe each of the required housing types. The element must analyze how development standards and processing requirements facilitate development of each of the housing types. In addition:

- *Emergency Shelters:* The element does not identify any zone which allows emergency shelters as a permitted use without a conditional use or other discretionary permit. As a result, the element cannot be found in full compliance until City amends zoning to permit year-round emergency shelters without discretionary action pursuant to Government Code section 65583, subdivision (a)(4)(A). The identified zone(s) must have sufficient capacity to accommodate the need for shelters and meet various other requirements related to site suitability and development standards. The element must demonstrate the permit processing, development, and management standards for emergency shelters are objective and encourage and facilitate the development of, or conversion to, emergency shelters. The element must demonstrate that emergency shelters are subject to the same development and management standards applicable to

residential or commercial development within the same zone except for those standards prescribed by Government Code section 65583 (a)(4)(A).

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 (e.g., multifamily rental housing, mobilehomes, transitional housing). The analysis must also evaluate the cumulative impacts of land use controls on the cost and supply of housing, including the ability to achieve maximum densities and cost and supply of housing. Specifically, the element must analyze the maximum lot coverage of 40 percent in the PDR zone as a constraint and add a program as appropriate. The element must also describe and analyze whether three stories are allowed in the zones that limit height to 35 feet (i.e. R2, MU, PDR zones). The element should include programs to address or remove the identified constraints.

Fees and Exaction: While the element lists three planning fees, 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 <https://www.hcd.ca.gov/fees-and-exactions>.

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

Design Guidelines: While the element describes design guidelines in three categories on page 73, it must describe and analyze the design review process and findings, including approval procedures and decision-making criteria, for their impact as potential constraints on housing supply and affordability. For example, the analysis could describe required findings and discuss whether objective standards and guidelines improve development certainty and mitigate cost impacts. The element must demonstrate this process is not a constraint or it must include a program to address this permitting requirement, as appropriate.

Local Processing and Permit Procedures: The element must describe and analyze the City permit processing and approval procedures by zone and housing type (e.g., multifamily rental housing, mobile homes, housing for agricultural employees, supportive housing). The analysis must evaluate the processing and permit procedures'

impacts as potential constraints on housing supply and affordability. For example, the analysis should consider processing and approval procedures and time for typical single- and multi-family developments, including type of permit, level of review, approval findings and any discretionary approval procedures. In addition, the element indicates multifamily development in zones permitting multifamily development requires a Conditional Use Permit (CUP). The element must analyze the CUP process as a potential constraint on housing supply and affordability. The analysis should identify findings of approval for the CUP and their potential impact on development approval certainty, timing, and cost. The element must demonstrate this process is not a constraint or it must include a program to address and remove or mitigate the CUP requirement. While program HI-14 adds actions surround the RHD combining zone, it only applies when at least 20 percent of the development is affordable to lower-income households. For additional information and sample analysis, see the Building Blocks at <https://www.hcd.ca.gov/processing-permitting-procedures>.

On/Off-Site Improvements: While the element lists site improvements, it must analyze their impact as potential constraints on housing supply and affordability. For additional information and a sample analysis, see the Building Blocks at <https://www.hcd.ca.gov/codes-and-enforcement-of-onsite-offsite-improvement-standards>.

Codes and Enforcement: While the element describes local amendments to the building code, it must also describe code enforcement process and procedures (i.e., whether it is proactive or complaint based).

Constraints on Housing for Persons with Disabilities: The element shows group homes for seven or more are conditionally permitted in some zones. It must address how non-licensed group home facilities that serve seven or more residences is permitted. Zoning and standards should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations. Zoning code regulations that isolate and regulate various types of housing for persons with disabilities based on the number of people and other factors may pose a constraint on housing choice for persons with disabilities. The element should include specific analysis of these and any other constraints for impacts on housing for persons with disabilities and add or modify 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).)*

Availability of Financing: The element must consider 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.

Developed Densities and Permit Times: The element must be revised to include analysis of requests to develop housing at densities below those anticipated, and the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality's share of the regional housing need.

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).)*

While the element quantifies the population and needs of seniors, female-headed households, persons with disabilities, farmers, and individuals experiencing homelessness, it must still analyze their housing needs and identify available resources to assist each group. Additionally, the element should include both seasonal and permanent data for farmworkers.

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... (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 HI-3:* The program must state how often noticing will be available.
- *Program HI-5:* The program should clarify whether the incentives are in place and add a definitive timeframe for implementation.

- *Program HI-6:* the program should be strengthened to address conserving and improving existing housing stock as well as include proactive outreach and definitive timeframes.
 - *Program HI-7:* The element states a timeframe that is long past but did not share SB 35 guidelines in the element. The element must be revised to address implementation timing.
 - *Program HI-9:* The program should be revised to strengthen implementation by removing terms like ‘consider’.
 - *Program HI-10:* This program should include more specific timeframes for implementation of the AFFH program.
 - *Program HI-12:* The program should clarify how often outreach will occur during the planning period.
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 must include a program to provide capacity to accommodate the Regional Housing Need and identify additional sites as needed.

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).)*

HI-16: This program includes priority water service for low-income units but should clarify if sewer services are city-owned. If they are, sewer services should be included in this program as well. If not, the City should inform the sewer provider with a copy of the housing element.

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. In addition, the element should be revised as follows:

Program HI-1: While this program commits to amending the Zoning Ordinance, actions and objectives should be clarified. The program must create an implementation timeframe to create a Reasonable Accommodation process as well as adopting an updated density bonus program. The program must also include a timeframe of when the brochures and other outreach material will be available. The program must be revised to address the following:

- ADUs: the City must revise the zoning ordinance to comply with all ADU laws. In addition, the program should commit to submitting the City's ADU ordinance to HCD for review and make revisions for compliance if needed.
- Manufactured Homes: the program should clarify that manufactured homes on a permanent foundation will be allowed as a single-family use.
- Transitional and Supportive Housing: the program must commit to transitional housing and supportive housing permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (c)(3).)
- Emergency Shelters: the program must identify a zone(s) where emergency shelters are permitted without a conditional use permit or other discretionary action and with sufficient capacity to accommodate the identified need for shelters. (Gov. Code, § 65583, subd. (a)(4).)
- Group Homes: the element must clarify how non-licensed group home facilities that serve seven or more residences is permitted. Zoning and standards should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations. Zoning code regulations that isolate and regulate various types of housing for persons with disabilities based on the number of people and other factors may pose a constraint on housing choice for persons with disabilities. The element should include specific analysis of these and any other constraints for impacts on housing for persons with disabilities and add or modify programs as appropriate.

Program HI-14: While the element commits to reviewing development standards, it must commit to a more definitive action such as 'amending' development standards to ensure they're not constraining all multi-family development within the planning period. In addition, while this program addresses land use constraints for multifamily developments, this program should be revised or a new program added to address constraints to fees, permitting processes, regulatory concessions, and incentives identified as constraints in the analysis. As the City is already three years into the

6th cycle, to ensure a beneficial impact within planning period, the program should be revised to include a completion date by the end of 2024.

5. *The Housing Element shall include programs to conserve and improve the condition of the existing affordable housing stock. (Gov. Code, § 65583, subd. (c)(4).)*

The element must include a program to conserve and improve the existing housing stock. Improvement includes physical activities that upgrade the housing stock, such as rehabilitation. Conservation includes both maintenance activity (such as code enforcement in deteriorating buildings), improvements to the housing stock (such as weatherization programs that reduce housing costs), and other actions, policies, and programs that conserve the affordability of housing (such as a mobile home park preservation ordinance). Policies and programs should be tailored to the results of findings under B3 and specific local situations.

6. *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 must include a program which incentivizes and promotes the creation of ADUs 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.

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 element includes a general summary of the public participation process, it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. The element could describe the efforts to circulate the housing element among low- and moderate-income households and organizations that represent them and to involve such groups and persons in the element throughout the process. The element should also describe whether translation services were available. In addition, the element should also summarize the public comments and describe how they were considered and incorporated into the element. For additional information, see the Building Blocks at <https://www.hcd.ca.gov/public-participation>.