

Affirmatively Furthering Fair Housing

Introduction

Pursuant to AB 686, municipalities are now required to ensure that their laws, programs, and activities affirmatively further fair housing (AFFH), and that they take no action inconsistent with this obligation. The California Department of Housing and Community Development defines AFFH as taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

AB 686 adds several requirements to Housing Elements including: outreach, assessment of fair housing, site inventory, identification and prioritization of contributing factors, and goals and actions. Outreach efforts conducted by the City were almost exclusively conducted online during preparation of the draft Housing Element Update due to the COVID-19 pandemic. Multiple meetings and public hearings were held with the Planning Commission and City Council. ~~There were no~~ only comments received from the public related to fair housing issues; were from the Blue Lake Community Resource Center. Most comments provided by the public related to concerns about the potential impacts of growth in the community.

Assessing fair housing within the City of Blue Lake is made difficult by lacking, or incorrect data, however the State of California, United States Census, and American Community Survey provide some insights into community characteristics needed to assess fair housing. Components of assessing fair housing in Blue Lake include:

1. Summary of fair housing enforcement and outreach capacity;
2. Integration and segregation patterns, and trends related to people with protected characteristics;
3. Racially or ethnically concentrated areas of poverty;
4. Disparities in access to opportunity for people with protected characteristics, including persons with disabilities; and
5. Disproportionate housing needs within the jurisdiction, including displacement risk.

Fair Housing Enforcement and Outreach Capacity

The City of Blue Lake, Humboldt County, the Office of Fair Housing and Equal Opportunity, and California Department of Fair Employment and Housing (DFEH) all have active roles in enforcing fair housing within Blue Lake.

Residents of Blue Lake and Humboldt County have access to legal assistance through the Legal Services of Northern California (LSNC). Residents of any of the 23 northern California counties they serve are able to consult with their local LSNC office. LSNC currently serves tens of thousands of vulnerable people with issues relating to housing, government benefits, health, and other civil legal issues affecting low-income Californians.

The HCD Affirmatively Furthering Fair Housing Data Viewer (AFFH Viewer) indicates that between 2013 and 2021, Blue Lake had no fair housing and equal opportunity (FHEO) inquiries. Blue Lake is currently in compliance with existing fair housing laws and regulations; however, due to its lack of staff and funding, enforcement and outreach capacity is limited.

According to the California Department of Fair Employment and Housing 2020 Annual Report, 880 Housing complaint cases were filed, with 1,652 bases recorded (the total number of bases exceeds the total number of cases because a complaint may be filed on more than one basis). The largest basis category was disability with 650 (39.3 percent) reports filed. The annual report breaks down by county, where the complaints were filed. The table displays Humboldt County as having four housing related complaints filed. It is noted that the California DFEH does not make data readily available related to fair housing inquiries, specific concerns, and outcomes. If made available, this information would be invaluable to local jurisdictions, residents, and landlords in identifying areas with high incidences of fair housing concerns and opportunities for community education regarding specific topics of concern.

There appears to be adequate resources and capacity to respond to fair housing inquiries, based on data available, however, the City and partner agencies should collaborate to increase outreach and educational opportunities to better inform City residents. The City should continue to ensure that the public is informed about fair housing rights and avenues to address any fair housing concerns. Additionally, the City should ensure that there is adequate staff training regarding fair housing practices, so the public may be best served by staff.

Integration and Segregation Patterns and Trends

There are a number of reasons why patterns of racial segregation exist (or don't exist) within a community. Some of these reasons may be institutional (discriminatory lending practices) while others can be cultural (persons of similar backgrounds or lifestyles choosing to live near one another to provide support and familiarity). As such, discussions regarding segregation are complicated and there is not a "one size fits all" approach to addressing patterns of racial segregation. Tracking the diversity of cities and counties throughout California is crucial to understanding the shifting demographics of race and ethnicity in California and the United States. Esri's Diversity Index captures the racial and ethnic diversity of a geographic area in a single number, from 0 to 100. Scores less than 40 represent lower diversity in the jurisdiction, while scores of greater than 85 represent higher diversity. Additionally, scores between 40-55 represent low diversity, 55-70 represent moderate diversity, and 70-85 represent high diversity. As shown in **Figure 3**, there are two different diversity classifications throughout the City of Blue Lake. Most of the City falls under the 40-55 classification, however the eastern portion of the city is within the lower diversity classification.

Blue Lake is a small town in a rural part of California and as a result, it does not directly have neighboring cities to accurately compare itself to. When looking at the surrounding areas of Humboldt County, the diversity index scores as seen in **Figure 4**, mirror that of Blue Lake. Areas including portions of the cities of Arcata and Eureka have higher diversity index scores, however, their characteristics differ from the City of Blue Lake. These differences can be attributed to a number of different factors, including ancestral history, access to affordable housing, educational and employment opportunities, cultural and recreational facilities, and community preference. Unlike the cities of Arcata and Eureka, Blue Lake has limited job opportunities, does not have a college, and has little affordable housing development.

Figure 3 – Diversity Index (Blue Lake)

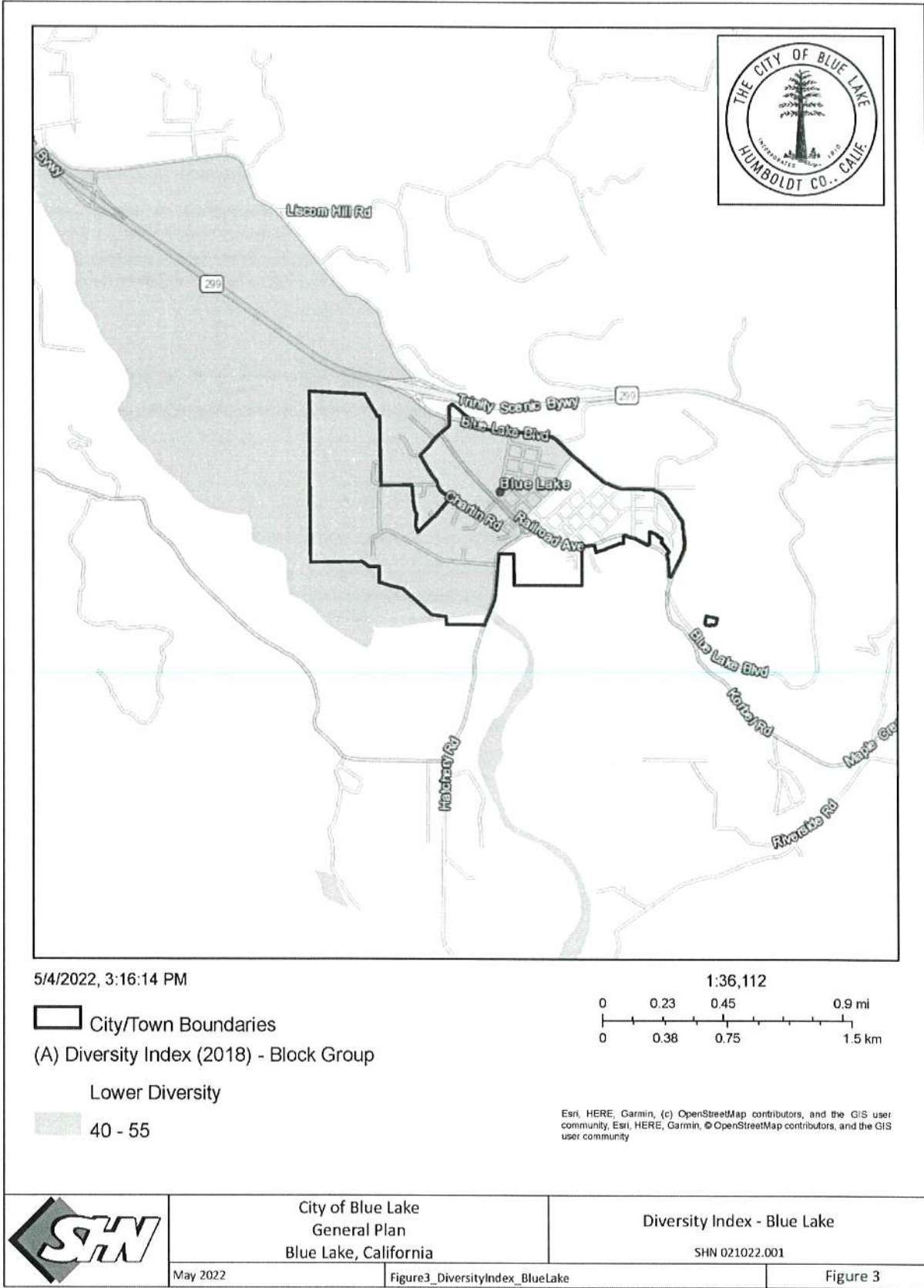
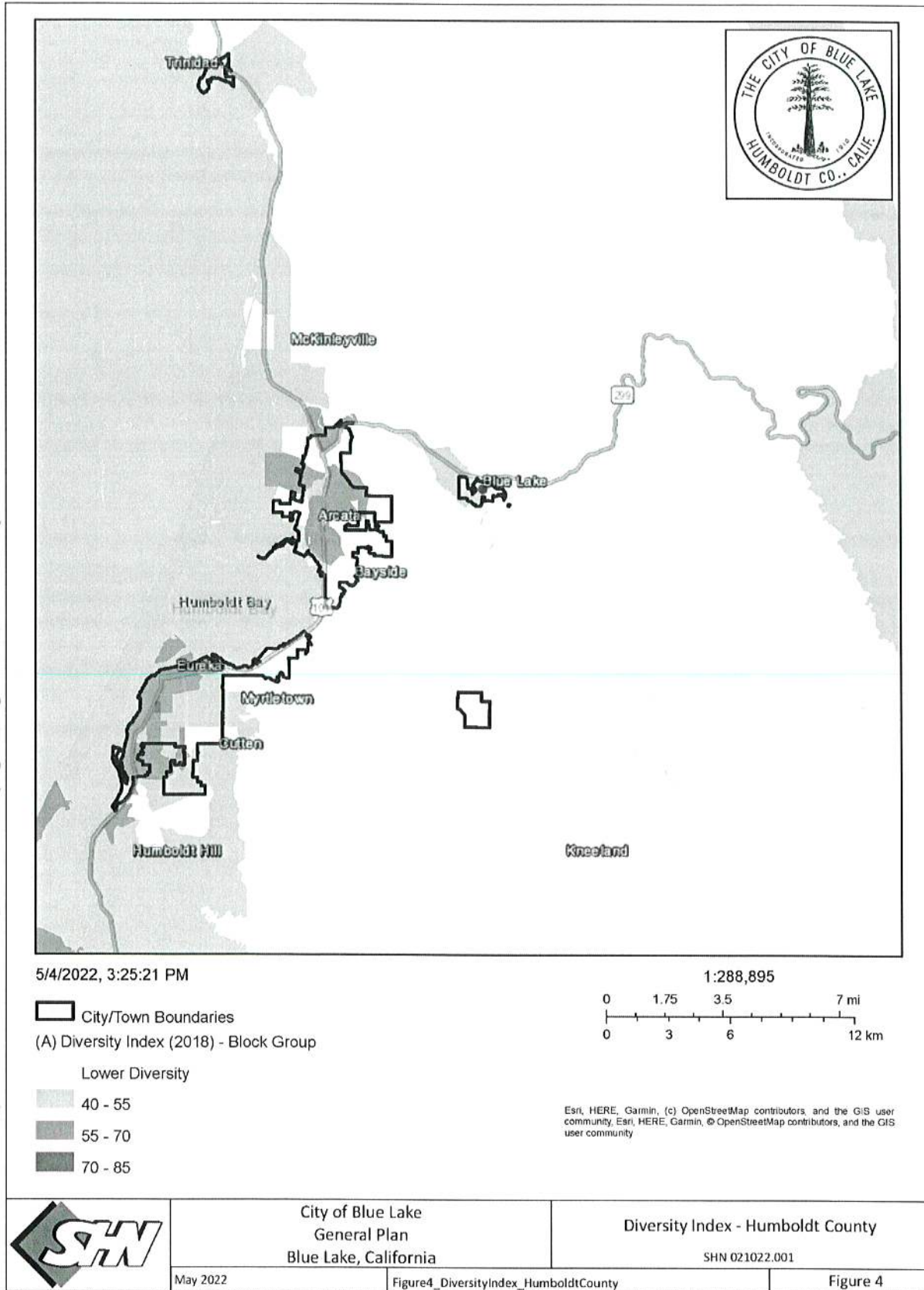


Figure 4 – Diversity Index (Humboldt County)



Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) and Concentrated Areas of Affluence

Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) are defined by HUD as having a racial and ethnic concentration. The threshold is that a RCAP or ECAP have a non-White population of 50 percent or more, within metropolitan or micropolitan areas. In locations outside these areas, where the non-White populations are likely to be much smaller than 50 percent, the threshold is set at 20 percent. The poverty test defines areas of “extreme poverty” as those where 40 percent or more of the population lives at or below the federal poverty line, or those where the poverty rate is three times the average poverty rate in the metropolitan area, whichever is less. An area that meets either the racial or ethnic concentration and also meets the poverty test would be considered a RCAP or ECAP; broadly referred to as R/ECAPs. No R/ECAP areas were identified in Blue Lake or Humboldt County.

Alternatively, the Department of Housing and Community Development together with the California Tax Credit Allocation Committee (TCAC) established the California Fair Housing Task Force to provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD). The Task Force developed the 2021 TCAC/HCD Opportunity Area Maps to understand how public and private resources are spatially distributed. The Task force defines opportunities as pathways to better lives, including health, education, and employment. Overall, opportunity maps are intended to display which areas, according to research, offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.

According to the Task Force’s methodology, the tool allocates the 20 percent of the tracts in each region with the highest relative index scores to the “Highest Resource” designation and the next 20 percent to the “High Resource” designation. Each region then ends up with 40 percent of its total tracts as “Highest” or “High” resource. These two categories are intended to help State decisionmakers identify tracts within each region that the research suggests low-income families are most likely to thrive, and where they typically do not have the option to live—but might, if given the choice. The remaining tracts are then evenly divided into “Low Resources”, “Moderate Resource”, or “High Segregation & Poverty”. As shown in **Figure 5**, the City of Blue Lake is classified as either “Highest Resource” or “High Resource.”

Further exploration of the demographic make-up of the City using Census block group data does not confirm that there is obvious segregation within the City, and there are data limitations that prevent accurate analysis of this fact. The American Community Survey (ACS) 2019 5-year estimates estimate the poverty rate in the City is 16.1 percent. This number is slightly lower than the California State average of 17.2 percent in 2019.

AB 686 requires cities to not only look at R/ECAP, but also Racially Concentrated Areas of Affluence (RCAAs). At the time of this element’s creation, the RCAA tool is not yet operational on the AFFH webpage. Alternatively, looking at the Median income of Block Groups according to data from the 2015-2019 ACS, there are two income brackets: < \$55,000 and < \$87,100 displayed within the City. According to HCD, the 2020 State Median Income is \$87,100. When looking at median income levels within Humboldt County bordering Blue Lake, it is clear from **Figure 6** that the income brackets found within Blue Lake are consistent with the rest of the region.

As indicated by the findings of ACS data and the TCAC/HCD Opportunity Maps, the City of Blue Lake’s poverty rate is below the state average. The Data Viewer looking at the Poverty Status taken from ACS 2015-2019 data reaffirms these findings (see **Figure 7**). The City falls in the 10-20 percent of population whose income in the past 12 months is below the poverty level. The finding is consistent throughout the city.

Figure 5 – TCAC Opportunity Areas (Composite Score)

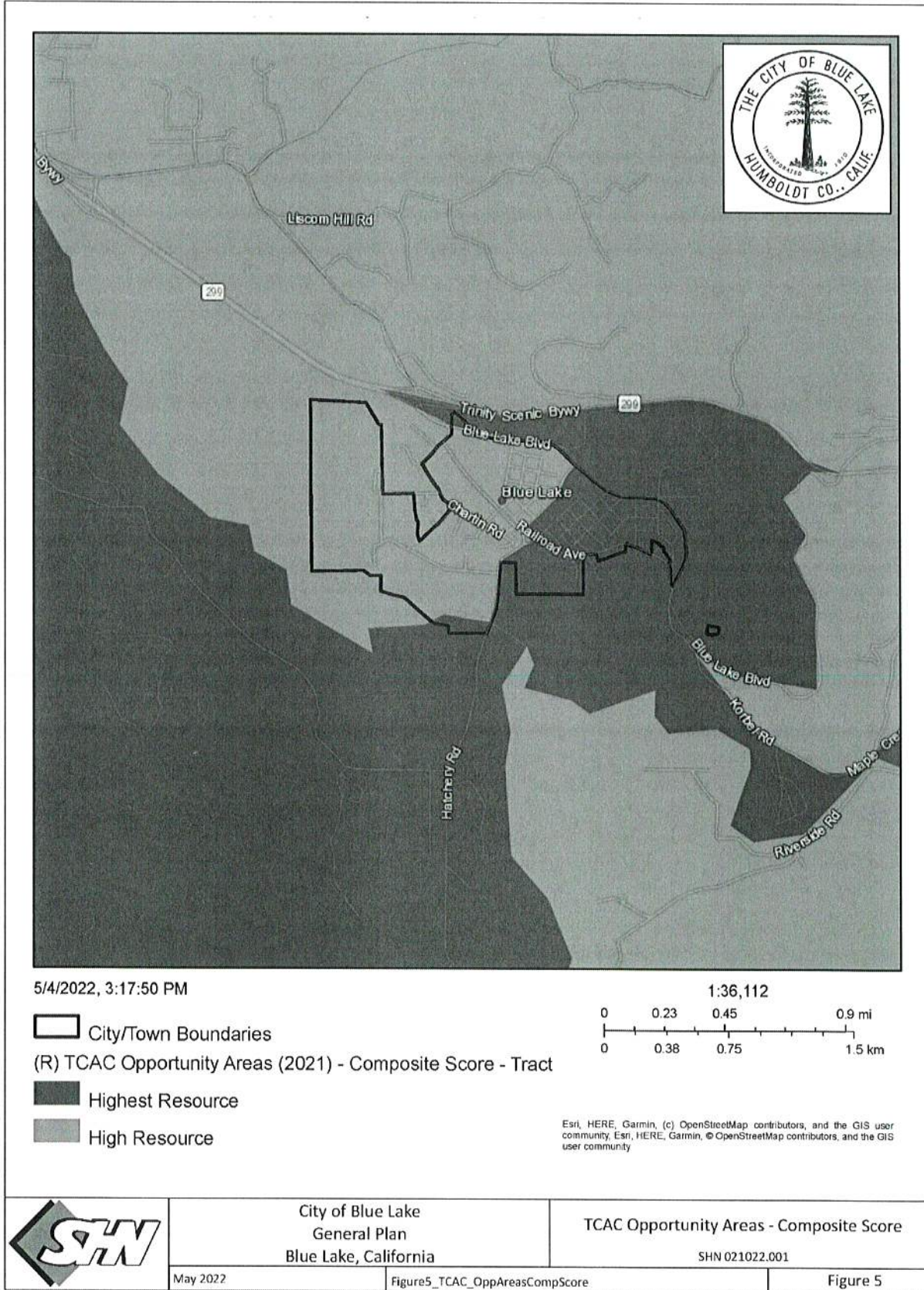


Figure 6 – Median Income

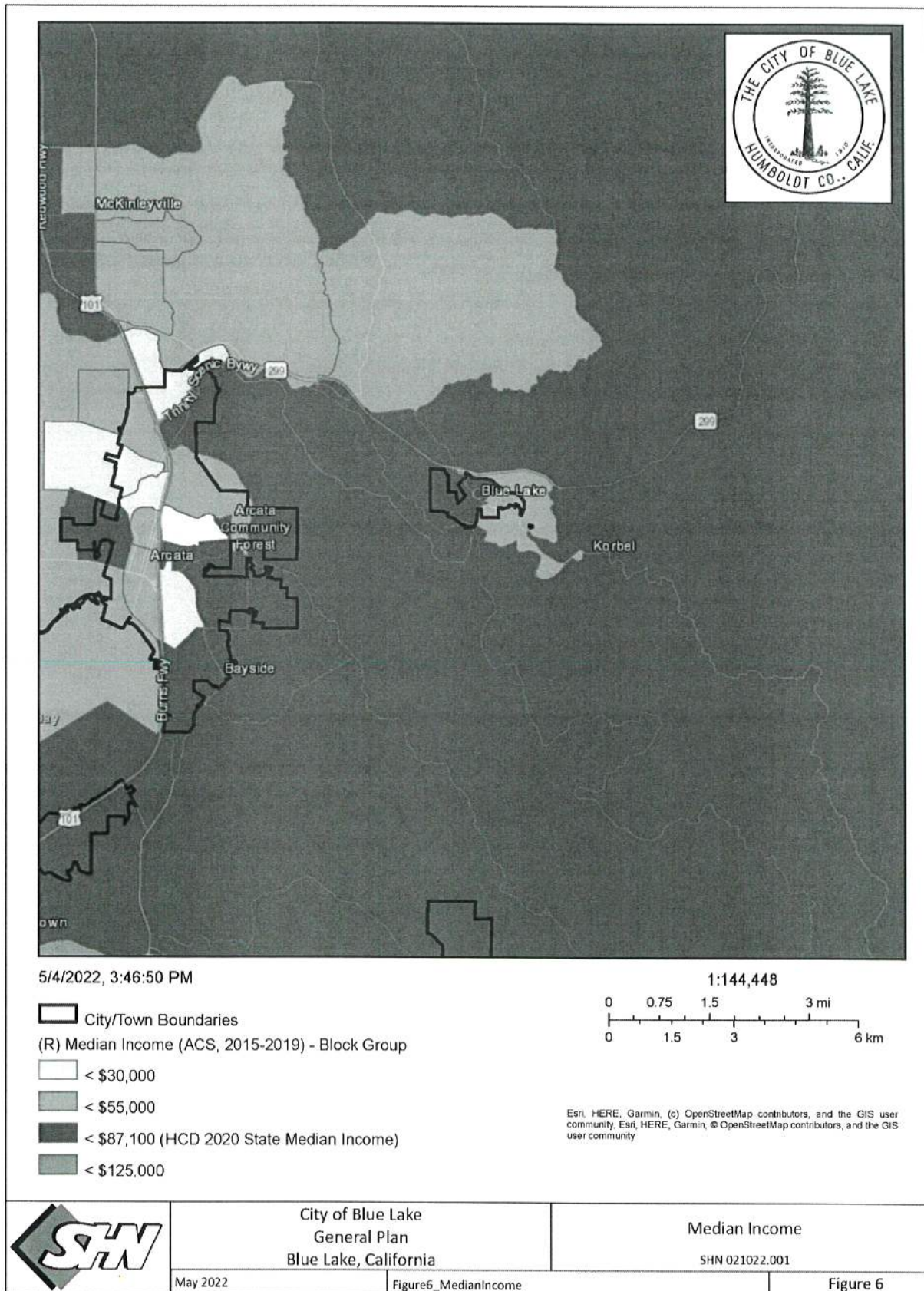
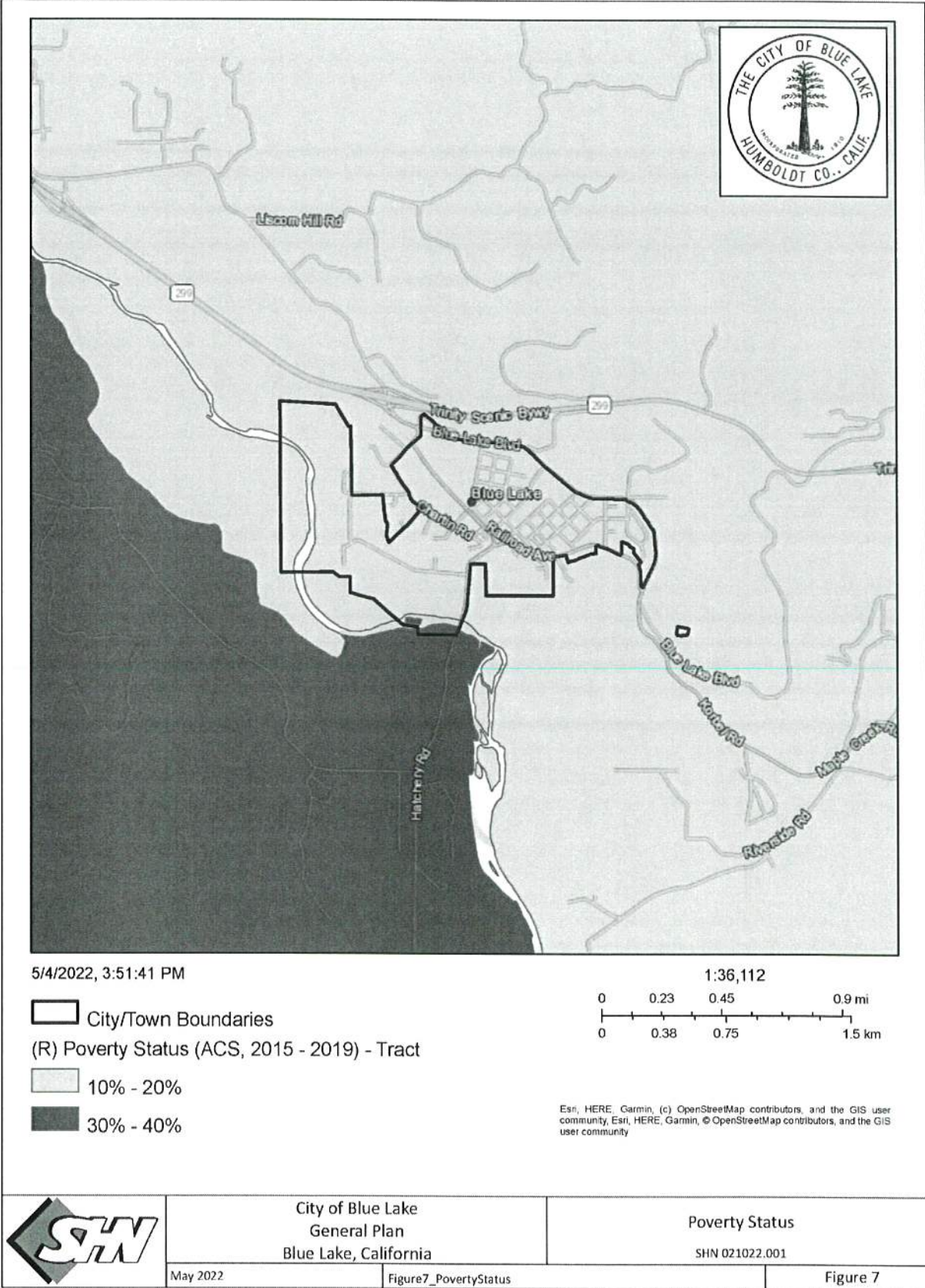


Figure 7 – Poverty Status



Disparities in Access to Opportunity

Disparities in access to opportunity is a concept that links approximate place-based characteristics to critical life outcomes. These characteristics include but are not limited to: education, employment, transportation, and environment. The HCD Data viewer provides a number of mapping tools to view percentage overlays of different categories within cities.

Access to opportunity can often be challenging, especially in rural areas. **Figure 8** displays the (R)TCAC Opportunity Areas (2021) educational scores by census tract. Tracts are assigned an Educational Domain Score that ranges from > 0.75 (More Positive Education Outcomes) to < 0.25 (Less Positive Education Outcomes). The City is divided into two separate scores, west of G Street falls under the 0.50 - 0.75 educational outcomes ranking and east of G Street falls under the > 0.75 educational outcomes ranking. This indicates a slightly more positive education outcome for the eastern section of the city.

Employment opportunities in rural areas are often limited, which draws people to urban hubs. The City of Blue Lake is located along U.S. Highway 299, which provides quick access to population centers to the west (McKinleyville and Arcata). The Jobs Proximity Index created by HUD displays the index scores for block groups in the 2014 to 2017 time period. Index scores are broken down from > 80 (Closest Proximity) to < 20 (Furthest Proximity). The entirety of the city falls within the 40-60 range. This score is standard when compared to much of its surrounding area, with an exception to the south west, which falls under the >80 proximity score (see **Figure 9**).

The City of Blue Lake is currently in the process of seeking public input on development opportunities within the Powers Creek District. The City is looking to revitalize this former industrial-business park with new mixed-use development, including commercial uses, housing, and recreational facilities.

When considering mobility opportunities for residents within the City of Blue Lake, most workers commute via a personal vehicle. According to the American Community Survey 2019 5-year estimates, Blue Lake had 490 workers 16 years and over in households. Zero percent of those households had no vehicles, 15 percent had one vehicle available, 51.6 percent had 2 vehicles, and 32.7 percent had three or more vehicles available. The mean travel time to work for residents was 16.2 minutes, and 85.3 percent of residents have an estimated travel time to work of less than 30 minutes. The American Community Survey Data is the only data available with these estimates, however it has flaws. For example, according to the American Community Survey 2019 5-year estimates, no one utilizes any form of public transit (bus), however, the Blue Lake Rancheria Tribe operates the Blue Lake Rancheria Transit System in the City. This transit system would not operate without use, and it is assumed that the ACS lacked sufficient data to determine an accurate percentage of public transit users.

Table 16 displays the number of people in Blue Lake with a disability and separates them based upon the disability they experience. According to the 2019 ACS data, it is estimated that out of 902 people in Blue Lake, 187 people or 20.7 percent of the City's population, requires special accommodations to live comfortably. The City of Blue Lake does not currently have a reasonable accommodation ordinance, because of this the City has created Implementation Program HI-1 which details that the City needs to develop and formalize this process. Given existing data limitations, there is not currently a way to determine the spatial patterns of disabilities within the community. It can be reasonably assumed that already limited housing options, and even fewer affordable housing options within the City, further limit opportunities for persons with a disability.

Access to a healthy environment is one of the markers of a higher quality of life. Utilizing the (R)TCAC Opportunity Areas (2021) environmental score mapping, census tracts are ranked between 0.75-1 (More Positive Environmental Outcomes) to $<.25$ (Less Positive Environmental Outcomes). As seen in **Figure 10**, the entire the city falls under the $<.25$ environmental domain score (EDS). It is likely that the methodology used in

the calculations of this metric are flawed. The methodology for this map relied upon a CalEnviroScreen 3.0 statewide risk assessment tool that takes measurements from limited sites in the state and then provides estimates for other areas. These inaccuracies are visible when viewing the state as a whole, for example, the majority of the Sierra Nevada Mountain range is also given the lowest EDS score. It should be noted that the EDS scoring metric does not appear to hold consistent with other resources publishing environmental information. For example, a CalEnviroScreen 4.0 tract overlay classifies the City as 31-40% with 1-10% being lowest (healthy) and 91-100% being highest (unhealthy). Much of the land in the State of California appears to shift dramatically between the two sources. The City of Blue Lake has not yet adopted an Environmental Justice Element to its General Plan that would aid in addressing disparities between portions of the City, however the entire City currently experiences the same EDS.

Locating patterns in access to opportunity within a community helps identify specific areas in need of additional investment or targeted policies. The City of Blue Lake is a small community with limited census data available, making pattern identification difficult. However, utilizing data from HCD and the AFFH data viewer, there does not currently appear to be patterns of segregation with regard to protected classes within the City.

Discussion of Disproportionate Housing Needs

Disproportionate Housing Needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. Blue Lake looked at categories of housing needs including cost or severe cost burdens, overcrowding, substandard housing, homelessness, and at-risk housing converting to market-rate. Estimates for persons experiencing cost burdens is displayed in **Table 9**, estimates for persons experiencing overcrowding is displayed in **Table 7**, an estimate of housing needing rehabilitation is displayed in **Table 2**, homeless estimates are displayed on page 32. There are no subsidized housing projects within the City of Blue Lake. Analyzing this aggregate data by examining protected classes percentage composition is not possible given the available data at the time of this element's creation.

Figure 8 – TCAC Opportunity Areas (Education Score)

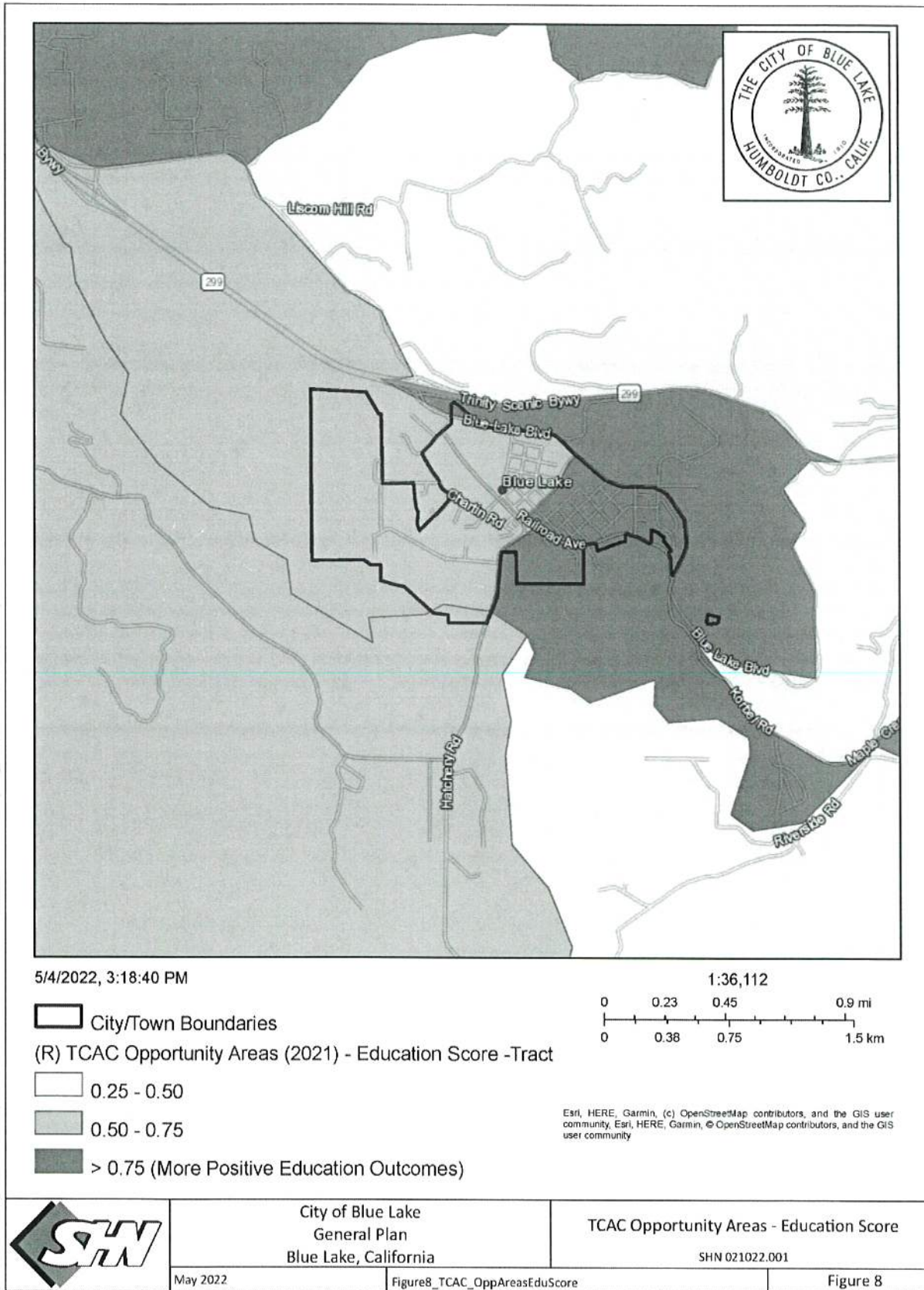


Figure 9 – Jobs Proximity Index

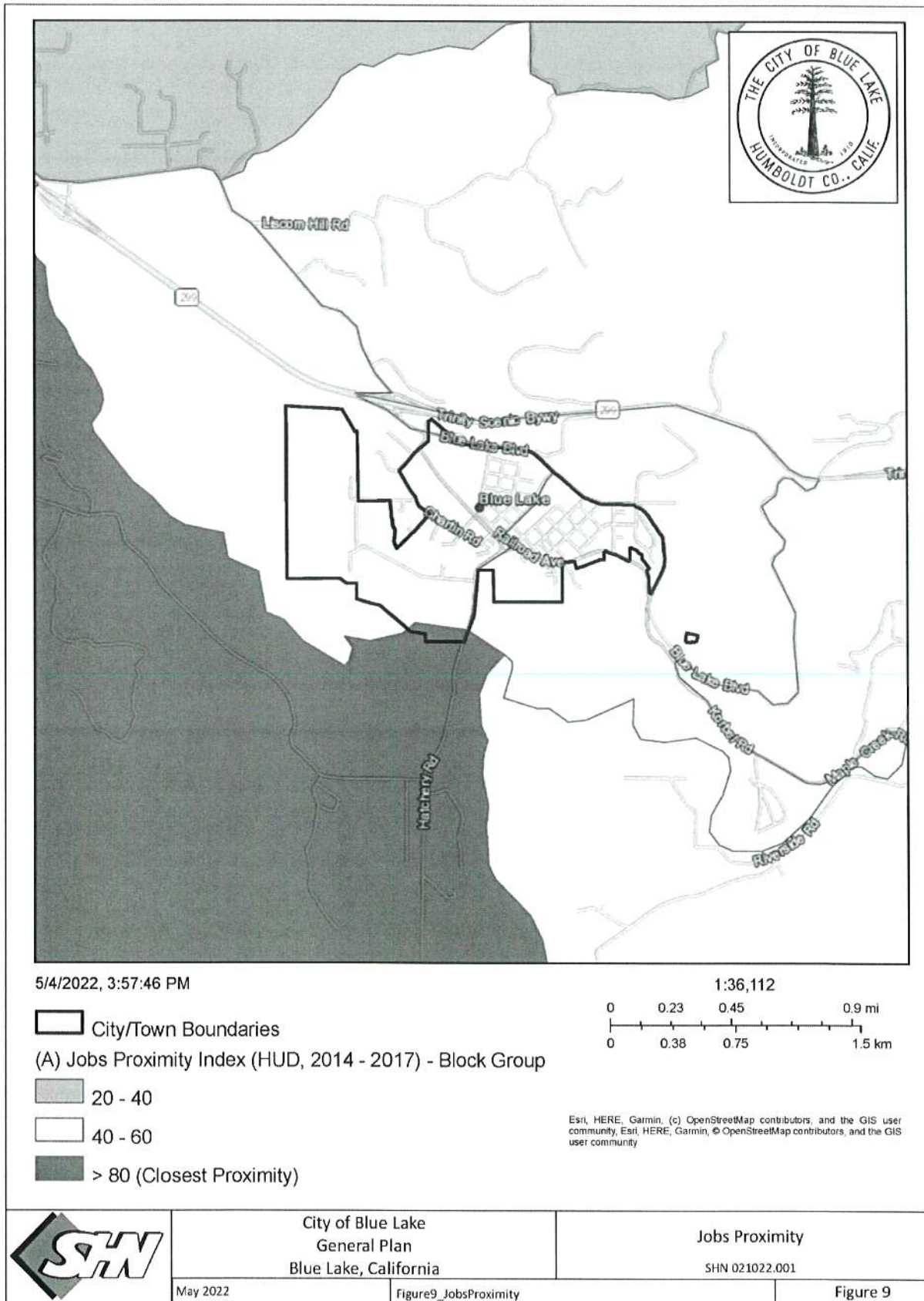
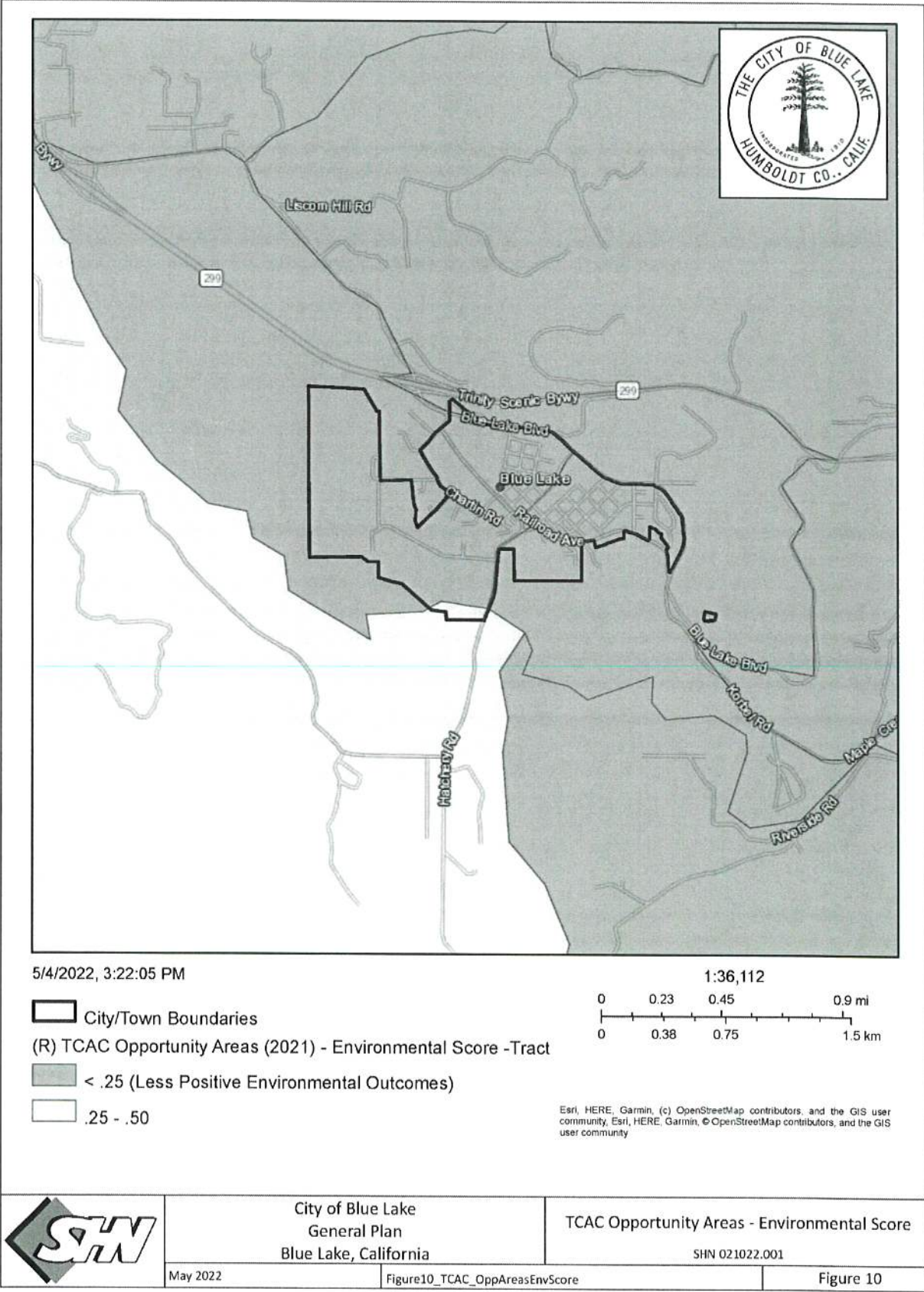


Figure 10 – TCAC Opportunity Areas (Environmental Score)



Displacement Risk

Displacement risk can be fueled by a combination of different factors, including but not limited to: rising housing costs, income inequality, lack of employment opportunities, low wages, or inadequate market-rate housing production. The City currently has zero subsidized housing developments.

When looking at housing choice vouchers (HCV) as a percent of renter-occupied housing units, there is no data currently available for the City of Blue Lake, as seen in **Figure 11**. The City has considered the risk of displacement to protected classes, and currently views the risk of displacement as low. The City has a number of available avenues to further develop housing (vacant land, underdeveloped land, ADUs, etc.).

To date, the City has no evidence that new development (affordable or market-rate) has resulted in economic displacement. However, the City appreciates the possibility that economic displacement might occur in the future and has developed policy HI-13 that monitors the status of all affordable housing projects and, as their funding sources near expiration, will work with owners and other agencies to consider options to preserve such units. The City will also provide technical support to property owners and tenants regarding proper procedures related to noticing and options for preservation.

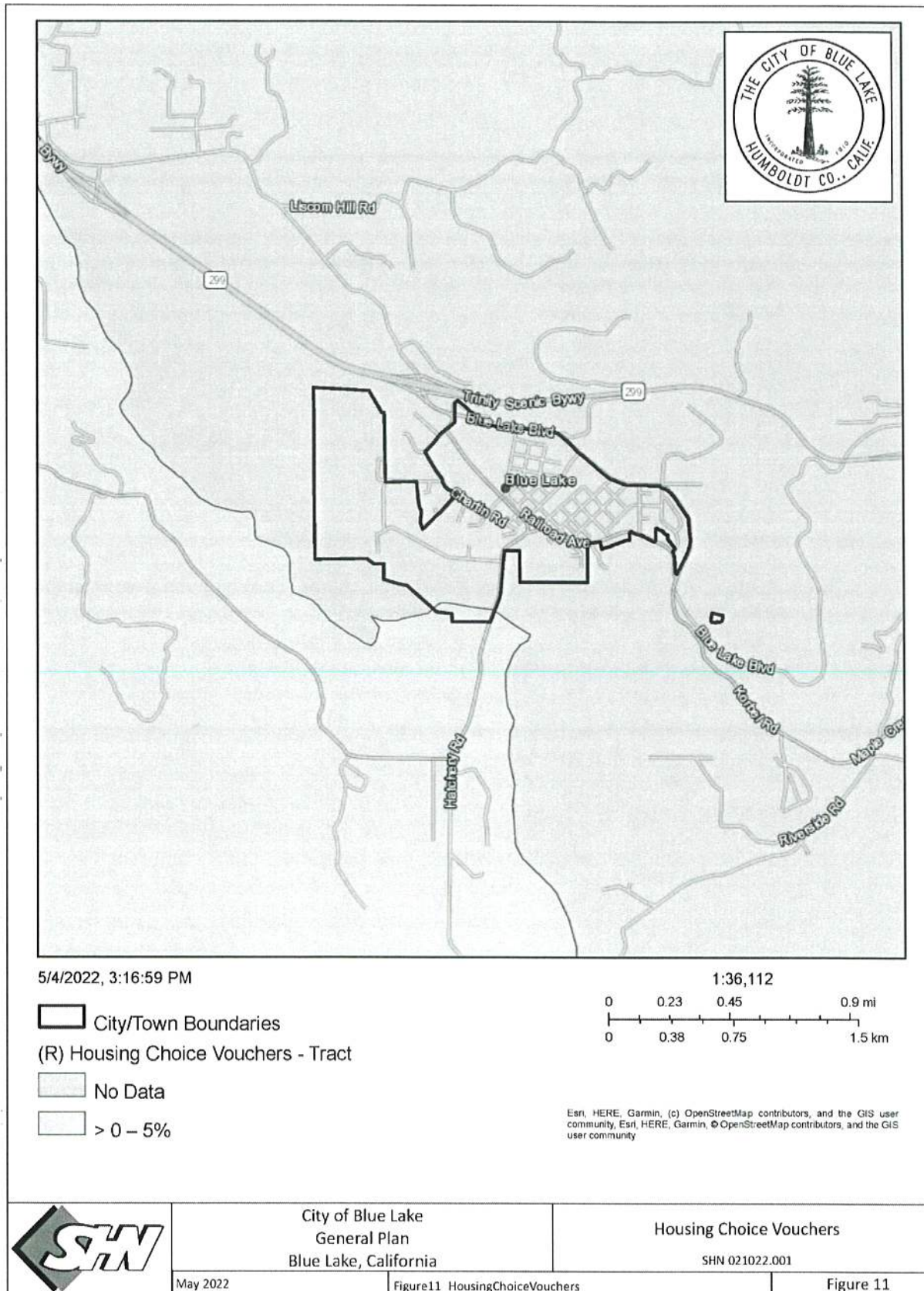
To the extent that future development occurs in areas where there is existing housing, all housing must be replaced according to SB 330's replacement housing provisions (Government Code Section 66300). SB 330 also provides relocation payments to existing low-income tenants. The State has also adopted just cause eviction provisions and statewide rent control to protect tenants from displacement.

Assessment of Contributing Factors to Fair Housing Issues

The City of Blue Lake, through internal analysis, has not identified any fair housing issues specific to the City. The public comments received thus far were primarily in regard to general concerns community members have about potential impacts of growth. Some community members also expressed concerns about potential social, economic, and environmental impacts of affordable high-density housing. Their concerns about affordable housing high-density housing included adequacy of infrastructure and utilities, adequacy of law enforcement and fire protection services, potential changes to the rural character of the community, and additional traffic, crime, noise, and lighting. The comments the City has received during development of the draft Housing Element Update do not present substantive arguments against the promotion of high-density affordable housing, and future comments will be addressed by city staff as part of the public participation process.

The City recognizes that the State of California, Humboldt County, and City of Blue Lake are all currently experiencing the need to develop affordable housing. A lack in housing opportunities (of any variety) can present a barrier to Affirmatively Furthering Fair Housing. The adoption of the 6th cycle Housing Element serves to improve the avenues through which housing development can occur within the City of Blue Lake and Affirmatively Further Fair Housing.

Figure 11 – Housing Choice Vouchers



Analysis of Sites Pursuant to AB 686

AB 686 requires that jurisdictions identify sites throughout the community in a manner that is consistent with its duty to affirmatively further fair housing. The site identification requirement involves not only an analysis of site capacity to accommodate the RHNA, but also whether the identified sites serve the purpose of improving segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Table 21 identifies the City's inventory of vacant sites with a series of descriptors attached to them. In reviewing the AFFH Data and Mapping Resources tool provided by HCD, the predominant race/ethnicity in Blue Lake's Census tract is White (Predominant gap >50%) and the City's diversity index is mostly in the 40-55 and below range (see **Figure 12**), which is on the side of lower diversity. It is noted that no area of the City was identified as having a different predominant population. The City is only composed of two different income brackets as seen in **Figure 6**. Additionally, the City does not have any racially or ethnically concentrated areas of poverty and the identification of sites to accommodate the City's RHNA is not expected to alter this finding. The City does not currently have qualifying affordable housing developments. The City will consider any new housing development project impacts on the distribution of different populations (income level, race, etc.) within the City.

Figure 1 and **Figure 2** show the proposed candidate sites to meet the RHNA for Blue Lake. The City of Blue Lake is home to a low concentration of persons with disabilities (10%-20% of the population with a disability), and persons with disabilities are represented in Blue Lake with no discernible patterns of segregation towards individuals with disabilities. Additionally, according to ACS 2015-2019 data, the City of Blue Lake and its surrounding region fall under the lowest category for percent of children in a female-headed household with no spouse or partner present (<20%). Further, **Table 15** identifies the City's population of older residents, specifically persons 65 years of age or older; there is currently no discernible pattern of segregation, although data is limited for the City.

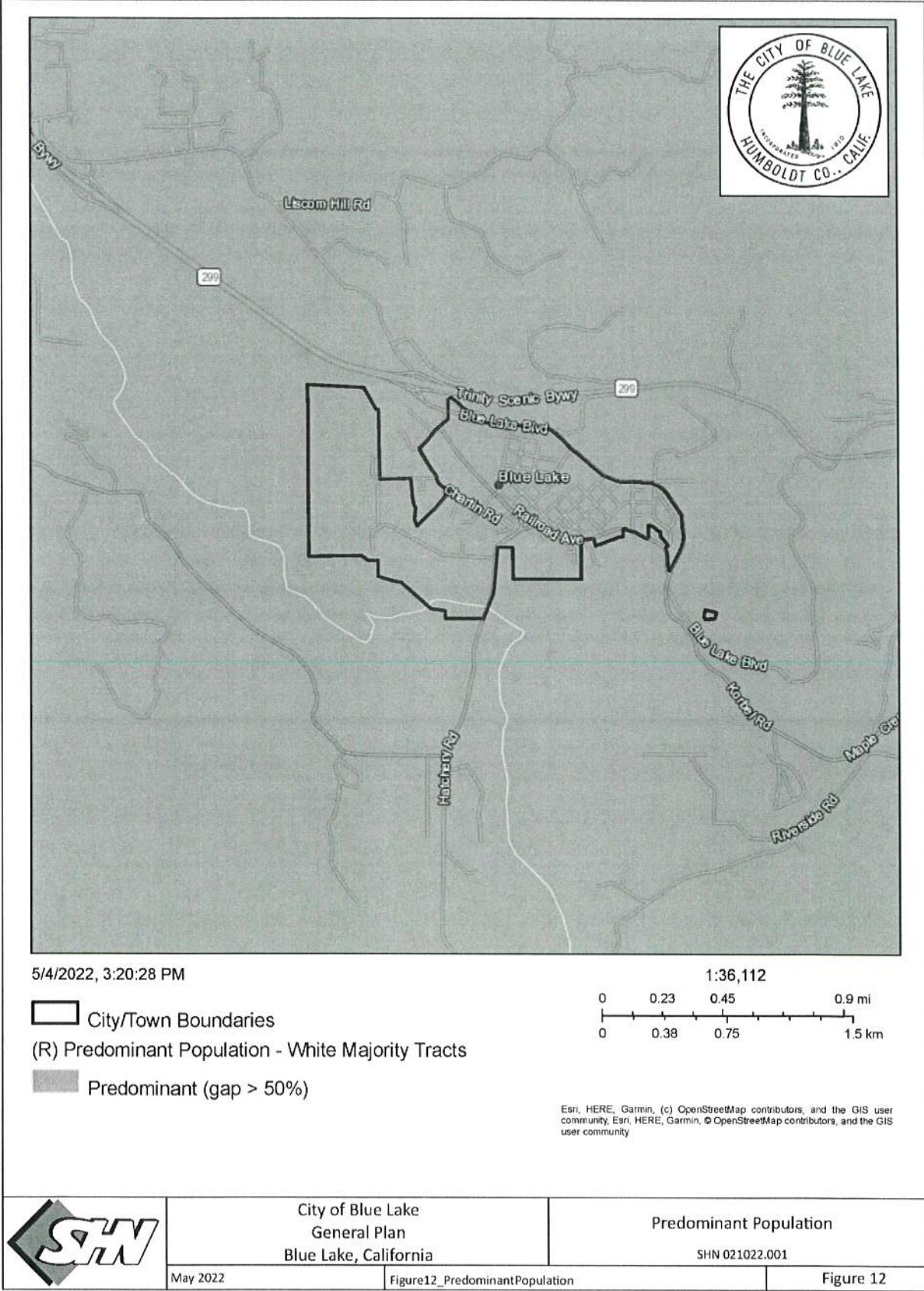
Additionally, existing affordable units, as well as moderate and above moderate income candidate sites, appear to have pretty similar access to opportunities for all residents. The TCAC/HCD Opportunity Area Maps showing slight differences in resource levels based on a resident's location in the city. Sites identified for residential development in this Housing Element were compared against the TCAC/HCD Opportunity Area Maps to determine if there is a correlation between where existing and proposed affordable housing developments are located and lower levels of opportunity. It does not appear that there is a correlation between lower levels of opportunity or resources for existing/proposed affordable housing developments for lower income households and higher levels of opportunity or resources for moderate and above moderate households.

The City has identified a number of vacant parcels that it views as good candidates for affordable housing development. These sites can be viewed in **Table 21** and **Figure 1**. Several of the proposed sites for affordable housing are located in the former industrial area of the City, which is now referred to as the Powers Creek District. This area of the City has historically contained heavy industrial uses including a carbon reprocessing plant, biomass plant, and an in-stream gravel extraction operation. Due to unfavorable market conditions, the carbon reprocessing plant and biomass plant have been shut down for several years, and it is anticipated that these sites will be redeveloped with non-industrial uses in the future. The gravel operation has limited potential to impact future residential development in this area, since it only involves the extraction of gravel during a short window each summer, requires intermittent hauling of gravel to construction sites, is separated from other properties in the District by a vegetative buffer, and is over 500 feet from the vacant parcels zoned for mixed-use development. The other uses in the District primarily include light manufacturing or commercial uses that produce various products within buildings, which significantly minimizes potential impacts of these activities.

In 2021, the City completed a 4-year planning process to rebrand and rezone the Powers Creek District to allow a mixture of commercial, light manufacturing, and residential uses. The name of the District was inspired by the creek that runs along the northern boundary of the District and the parcels rezoned for mixed-use development. The vacant parcels in the District that could be developed with residential uses are superior to other sites in the City since they are larger properties, have better access, and have limited environmental constraints. In addition, the District has a heavily used trail system that provides pedestrian and bicycle access to the City's Downtown, recreational facilities, and the Mad River.

Locating affordable housing in active industrial areas is a potential environmental justice issue that the City has taken into consideration as part of the planning effort to revitalize the Powers Creek District. Since the heavy industrial uses in the District have been non-operational for several years, the City is proposing to redevelop this area into a vibrant mixed-use district that includes residential uses above commercial or light manufacturing spaces and a variety of recreational facilities for use by the community and visitors to the area. Because of past industrial use of the District, the City has completed Phase I and Phase II Environmental Site Assessments of the vacant parcels in the District, which have concluded that there are minor areas of petroleum hydrocarbon contamination that can be remediated during future development activities (e.g., excavation and offsite disposal of contaminated soils). While the former heavy industrial sites are being redeveloped, the primary impact to future residents in the District would be aesthetic impacts from existing industrial buildings and short-term construction impacts. Due to the separation of the gravel operation from the areas zoned for mixed-use development, potential impacts to future residents would be limited to intermittent truck traffic from hauling gravel to construction sites. This potential impact is similar to what is experienced by existing residential development along the City's industrial truck route, which runs through the center of town. Based on the existing land uses in the Powers Creek District and the proposal to redevelop this area for mixed-uses, the development of affordable housing in the District is not anticipated to result in environment justice issues for the future residents.

Figure 12 – Predominant Population (White Majority Tracts)



Findings and Programs Affirmatively Furthering Fair Housing

The findings resultant from the Affirmatively Furthering Fair Housing process do not indicate that the City of Blue Lake currently has discernable patterns of segregation, access to opportunity, displacement, or related issues. Although the City does not currently have identified issues that conflict with the City's goal to affirmatively further fair housing, there are actions that can be taken to improve, establish, or amend current city processes and policies to further support Affirmatively Furthering Fair Housing.

A number of new programs have been added to this housing element that support the City's goal to Affirmatively Further Fair Housing and assist protected groups in achieving a higher quality of life. A summary of relevant programs is included below:

- HI-1: Amend Zoning Ordinance to address the following: Accessory Dwelling Units, Manufactured housing/ Mobile homes, Single Room Occupancy Units, Transitional and Supportive Housing, Emergency Shelters, Employee Housing, Density Bonus, Reasonable Accommodation, and Residential Care Facilities.
- HI-2: Allowing for low barrier navigation centers for the homeless.
- HI-3: Publicize available programs in community newsletter, and water billing.
- HI-4: Pursue grants that assist first time homebuyers, rehabilitation, manufactured housing, and technical assistance.
- HI-5: Conduct outreach to nonprofits and developers to identify ways to assist in affordable housing development.
- HI-6: Encourage new and rehabilitation units to include weatherization improvements through publicization and informational programs.
- HI-9: ~~request local housing rehabilitation organization to~~ Survey the current housing stock so the city can accurately pursue funding as necessary coordinate with the County on directing housing rehabilitation funding to targeted income groups in the City.
- HI-10: Develop a plan to Affirmatively Further Fair Housing and take a proactive approach to ensure that disparities in housing needs and access are addressed for all city residents.
- HI-12: Work with Redwood Coast Regional Center on outreach to residents needing services for persons with developmental disabilities.
- HI-13: Monitor affordable housing projects to ensure housing within the city remains affordable.

Constraints on the Development of Housing

Various interrelated factors can constrain the ability of the private and public sectors to provide adequate housing and meet the housing needs for all economic segments of the community. These factors can be divided into two categories: (1) governmental constraints and (2) nongovernmental constraints. Governmental constraints consist of land use controls, development standards, processing fees, development impact fees, code enforcement, site improvement costs, development permit and approval processing, and provision for a variety of housing. Nongovernmental constraints consist of land availability, the environment, vacancy rates, land cost, construction costs, and availability of financing.

Governmental Constraints

Governmental constraints are policies, standards, requirements, or actions imposed by the various levels of government upon land and housing ownership and development. Although federal and state agencies play a role in the imposition of governmental constraints, these agencies are beyond the influence of local government and are therefore not addressed in this document. Governmental constraints refer to the policies and regulations that a local government applies to the approval of land use proposals. While local government can have little impact on market-oriented constraints, such as interest rates, their policies and regulations do impose costs upon development. While these measures are often necessary to protect the public health, safety, or welfare of the community, the effect of any particular requirement must be weighed carefully to ensure that it does not unduly burden the ability of the market to provide for the housing needs of the community. Governmental constraints may include land availability, local land use regulations, development standards and building code compliance, permit processing times and procedures, and permit and connection fees.

Pursuant to Government Code Section 65940.1(a)(1), all documents and standards discussed below are required to be available to the public on the City of Blue Lake website (<https://bluelake.ca.gov/>). Currently, the Municipal Code, including the subdivision code (Title 16) and Zoning Code (Title 17), is available on the City's website at the following address: <https://bluelake.ca.gov/city-council/ordinances-municipal-code/>. Some of the documents listed in Government Code Section 65940.1(a)(1) are not currently available on the City's website. To ensure compliance with Government Code Section 65940.1(a)(1), Program HI-20 has been included in this element which commits the City to uploading all required documents to its website within one year of adoption of this element.

Zoning Standards

The City of Blue Lake exercises discretionary authority over the residential development entitlement process through the implementation of the zoning (Title 17) and subdivision (Title 16) sections of its Municipal Code. These ordinances establish development standards to regulate all residential construction consistent with the General Plan. Development standards refer to those requirements, such as maximum building height, setbacks, maximum ground coverage, minimum lot size, etc., that must be followed when placing structures on real property. The subdivision regulations similarly control the creation of new lots for development and regulate such matters as the layout of streets and lots, utility extensions, grading, and drainage improvements. **Table 24** provides a summary of the City's development standards in zones that permit residential uses.

As indicated in **Table 24**, the R-3, MU, and O zones in the City of Blue Lake have the least restrictive development standards and allow up to four residential units by right (principally permitted). A use permit is required in these zones for five or more units. The maximum density in these zones ranges from 1 unit per 2,000 s.f. (R-3) to 1 unit per 2,500 s.f. However, in the O zone, 1-bedroom units are allowed at a density of 1 unit per 1,250 s.f. In

addition, the PDR zone allows multi-family residential development with a use permit at a density of 1 unit per 6,000 s.f., or as modified by the Special Density (D) combining zone. The maximum density when applying the D combining zone is 1 unit per 3,000 s.f. As indicated in **Table 21** and **Table 22**, the larger sites (>1 acre) in the PDR, MU, and O zones are the primary sites that could accommodate higher density multi-family units and improvements.

To ensure that the use permit process for multi-family projects does not inhibit multi-family development, the City will adopt and apply a Residential High Density (RHD) Combining Zone to sites greater than 1-acre in the R-3, MU, O, or PDR zones to allow multi-family residential uses by-right. 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 (see Program HI-14).

Table 24 – Development Standards from the City of Blue Lake Zoning Code

	Use Permit	Minimum Lot Area	Maximum Lot Coverage	Density Un/s.f.	Setbacks F-R-S	Maximum Height
R-1		6,000 s.f.	40%	1/6,000	15-20(max)-4	35 feet
Single-Family	No					
Two-Family	Yes					
R-2		6,000 s.f.	60%	1/2,500	20-15(max)-4	35 feet
Single-Family	No					
Two-Family	No					
R-3		6,000 s.f.	60%	1/2,000	15-10-5	45 feet
Single-Family	No					
Two-unit	No					
Multi-unit (≤4)	No					
Multi-unit (5+)	Yes					
PDR		6,000 s.f.	40%	1/6,000 ¹		35 feet
Single-Family	No				15-20(max)-4	<u>35 feet</u>
Multi-unit (≤4)	Yes				<u>25-25-10</u>	<u>30 feet</u>
Multi-Family unit (5+)	Yes				<u>25-25-10</u>	<u>30 feet</u>

	Use Permit	Minimum Lot Area	Maximum Lot Coverage	Density Un/s.f.	Setbacks F-R-S	Maximum Height
MU		6,000 s.f.	60%	1/2,500	15-20(max)-4	35 feet
Single-Family	No					
Multi-Unit (≤4)	No					
Multi-Unit (5+)	Yes					
O		15,000 s.f.	70%	1/2,500 ²	Variable ³	35-45 feet
Single-Family	No					
Multi-Unit (≤4)	No					
Multi-Unit (5+)	Yes					

¹Unless modified by D combining zone

²One-bedroom units are allowed at a density of 1 unit per 1,250 s.f.

³Setbacks are required from Powers Creek, the creek trail, the public rights-of-way, and the Blue Lake Rancheria.

The City adopted these development standards to ensure that minimum levels of design and construction quality are maintained, and adequate levels of street and infrastructure/utility improvements are provided. While these standards generally apply to all developments, there is an opportunity to modify the standards to address site-specific design constraints associated with topography or sensitive resource areas. Modification of the development standards could occur through application of the Planned Development (P-D) combining zone, application of the Special Density (D) combining zone, or by requesting exceptions as part of the use permit process as allowed in the MU and O zones. Additionally, qualifying housing projects (i.e., those including a specified number of units affordable to lower-income households and/or seniors) can seek further flexibility through incentives/concessions as allowed under the State density bonus law. The City's Zoning Code also allows for variances to the development standards where either of the below findings can be made:

- That any variance granted shall be subject to such conditions as will assure that the adjustment thereby authorized shall not constitute a grant of special privilege, inconsistent with the limitations upon other properties in the vicinity, and zone in which the subject property is situated, and that because of special circumstance applicable to subject property, including size, shape, topography, location or surroundings, the strict application of the zoning regulations is found to deprive the subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification; or
- That any variance granted will not be contrary to the intent of the zoning regulations or to the public interest, safety, welfare, and, where due to special conditions or exceptional characteristics of such property, or its location or surroundings, a literal enforcement of the zoning regulations would result in practical difficulties or unnecessary hardships.

The zoning requirements and development standards that have the potential to be a constraint to the various housing types are discussed further under the section entitled "Provisions for a Variety of Housing." It is acknowledged that the City's current development standards have the potential to result in a decreased supply of housing and an increased cost per residential unit. Where appropriate, programs are proposed to remove potential constraints to the development of housing, which are intended to result in an increased supply and reduced cost for housing in the City.

Typical Densities for Development

As indicated in **Table 24** above, the maximum residential density in the City ranges from 1 unit per 2,000 s.f. (21.78 units per acre) to 1 unit per 6,000 s.f. (7.26 units per acre). Additionally, in the O zone, 1-bedroom units are allowed at a density of 1 unit per 1,250 s.f. (38.84 units per acre) to incentivize smaller units that would be more affordable.

Parking Standards

The City’s parking requirements vary according to the type of dwelling unit, as shown in **Table 25**. To ensure that off-street parking requirements do not inhibit the development of housing in the City, Municipal Code Section 17.24.100.B.4 allows the City Planner to waive off-street parking spaces otherwise required if certain criteria can be met. The criteria for parking waivers include the historical nature of the property, the architectural or landscaping amenities that would be displaced by parking, the availability of space on a parcel with existing improvements, the proximity to a bus stop or alternative transportation facilities, the provision of bicycle parking spaces, or the provision of pervious parking spaces. Most projects in the City can meet one or more of the above criteria to receive a parking waiver. Since the City provides an administrative approval process for parking waivers, off-street parking requirements are not considered a constraint to residential development.

Table 25: Residential Parking Standards

Type of Use	# of Spaces Required
Residential; including single-family, two-family, second units, and apartments	1 for each dwelling unit containing 1 or fewer bedrooms 2 for each dwelling unit containing more than 1 bedroom
Trailer Parks	1 for each trailer unit plus 1 additional space for each 4 units
Institutional, Educational, Civic; including rest homes, nursing homes, etc.	1 for every 2.5 beds

Provisions for a Variety of Housing

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family housing, multi-family housing, manufactured housing, mobile homes, farmworker housing, emergency shelters, ~~and transitional and supportive housing~~, housing for persons with disabilities, and accessory dwelling units. Each of these housing types is described below including how it is defined and any programs proposed to comply with State housing law or remove potential constraints to the development of housing. **Table 26** summarizes the permitted housing types in the zones allowing residential development.

Table 26: Housing Types Permitted by Zoning District

Housing Types Permitted	R1	R2	R3	PDR	MU	O	HC, RC, SC	AE
Single Family Dwelling	P	P	P	P	P	P	CUP ¹	p ⁴
Two-Family Dwellings	CUP	P	P	CUP	P	P	CUP ²	--
Three-Family Dwellings	--	--	P	CUP	P	P	CUP ²	--

Housing Types Permitted	R1	R2	R3	PDR	MU	O	HC, RC, SC	AE
Four-Family Dwellings	--	--	P	CUP	P	P	CUP ³	--
Multi-family (5+ Units)	--	--	CUP	CUP	CUP	CUP	CUP ³	--
Rooming and Boarding Houses	--	CUP	CUP	CUP	CUP	--	CUP ³	--
Rest Homes	CUP	--	--	CUP	--	--	--	--
Mobile Homes Parks	--	--	CUP	CUP	--	--	--	--
Manufactured Homes (Single) ⁵	P	P	P	P	P	P	P	P
Accessory Dwelling Unit ⁶	P	P	P	P	P	P	P	P

P – Principally Permitted

CUP – Conditional Use Permit

-- Use Not Allowed

¹Secondary to a commercial use in RC and SC zones.

²Secondary to a commercial use in the RC zone. Not allowable in the SC zone.

³Only allowable in the HC zone.

⁴One (1) dwelling unit per ten (10) acres.

⁵State law allows manufactured homes in any zone that allows a conventional (“stick-built”) home.

⁶State law allows accessory dwelling units in any zone that allows a single-family residence.

Single-Family Housing

The City defines single-family dwellings (referred to as “Dwelling, One-Family” in the definitions section of the Zoning Code) as a detached building designed and/or occupied exclusively by one family. As indicated in **Table 26**, single-family housing is principally permitted in all residential and mixed-use zones, but requires a use permit in HC, RC, and SC zones. Any single-family dwelling constructed or placed in the City (including a manufactured home) must comply with the development standards in Section 17.24.260 of the Zoning Code, which provides standards for building width, roof pitch, roof overhang length, exterior siding materials, and roof materials.

The City’s current definition includes stick-built homes but does not specifically include factory-built, modular housing units that are constructed in compliance with the California Building Code (CBC) or mobile homes/manufactured housing units that comply with the National Manufacturing Housing Construction and Safety Act of 1974 that are placed on permanent foundation systems. In addition, the City’s definition does not include transitional and supportive housing serving six or fewer persons. Because the City’s current definition is not consistent with State housing law, the City defers to State law when reviewing these types of units. Due to this inconsistency with State law, Program HI-1 has been included in this element which commits the City to the following: 1) amend the Zoning Code to allow manufactured housing and mobile homes in the same manner and in the same zone as conventional or stick-built structures are permitted (Government Code Section 65852.3); and 2) amend the Zoning Code to define transitional and supportive housing and permit this type of housing as permitted uses subject to only the same restrictions on residential uses contained in the same type of structure.

Multi-Family Housing

The City defines multi-family dwellings (referred to as “Dwelling, Multiple” in the definitions section of the Zoning Code) as a building or portion thereof used and/or designed as a residence for four or more families living independently of each other, and doing their own cooking in the building, including apartment houses, apartment hotels and townhouses, but not including automobile courts. As indicated in **Table 26**, four-family dwellings are principally permitted in the R-3, MU, and O zones, and require a use permit in the PDR, HC, RC, and SC zones. Multi-family housing (5+ units) requires a use permit in all zones that allow five or more residential units (i.e., R-3, PDR, MU, O, and HC zones). To ensure that the use permit process for multi-family projects does not inhibit multi-family development and the ability of the City to accommodate its share of the regional housing

need, Program HI-14 has been included in this element which commits the City to adopting and applying a Residential High Density (RHD) Combining Zone to sites greater than 1-acre in the R-3, MU, O, or PDR zones to allow multi-family residential uses by-right.

The City's Zoning Code contains separate definitions for duplexes and triplexes, which are referred to as "Dwelling, Two-Family" and "Dwelling Three-Family," respectively. The City's current definition of multi-family housing does not specifically include transitional and supportive housing or single-room occupancy housing. Due to this inconsistency with State law, Program HI-1 has been included in this element which commits the City to the following: 1) amend the Zoning Code to define transitional and supportive housing and permit this type of housing as permitted uses subject to only the same restrictions on residential uses contained in the same type of structure; and 2) amend the Zoning Code to define and allow SRO units as a principally permitted use in the Residential Multiple-Family (R-3), Mixed-Use (MU), Opportunity (O), and Planned Development Residential (PDR) zones.

As indicated in **Table 24**, the PDR zone allows multi-family housing with a use permit. However, some of the development standards in the zone are the same as those required in the R-1 zone or are less permissive for multi-family housing. For example, the maximum ground coverage requirement in the PDR zone is 40 percent, which is more appropriate for single-family housing and is a potential constraint to the development of multi-family housing. Most of the zones allowing multi-family housing have a maximum ground coverage standard of at least 60 percent (e.g., R-2, R-3, and MU zones). The PDR zone also has separate development standards for single-family structures and "all other structures." Multi-family housing would fall under the "all other structures" category and is subject to a less permissive maximum building height (i.e., 30 feet instead of 35 feet) and less permissive setbacks (i.e., F-25 feet/ R-25 feet/S-10 feet instead of F-15 feet/R-20 percent of lot depth to a maximum of 20 feet/S-4 feet). To remove these potential constraints, Program HI-19 has been included in this element which commits the City to the following: 1) amending the PDR zone to allow a maximum ground coverage that is similar to the other zones that allow multi-family housing (e.g., 60 percent); 2) amending the PDR zone to allow a more permissive maximum building height such as the standard allowed for single-family structures (i.e., 35 feet); and 3) amending the PDR zone to allow more permissive setbacks for multi-family housing such as those allowed in other zones permitting multi-family housing (e.g., F-15 feet/R-20 percent of lot depth to a maximum of 20 feet/S-5 feet).

Two zones in the City that allow multi-family housing have a development standard that places a limitation on the number of stories a building may have in addition to the maximum building height in feet. The R-2 and MU zones have a maximum building height standard that states, "35 feet, or not exceeding two stories." Although this standard could be open to interpretation as to whether it limits a structure to 35 feet or two stories, the intent of the standard was to limit the number of building stories to two. Thirty-five (35) feet is a height limit that would allow the development of three-story residential buildings, which can range in height from 30-40 feet depending on the design. As such, the limitation on the number of stories in the R-2 and MU zones would typically be the limiting factor for building height and is a potential constraint to the development of multi-family housing. For comparison, most of the zones allowing residential development in the City (e.g., R-1, R-3, PDR, and O) do not contain a limitation on the number of stories. To remove this potential constraint, Program HI-19 has been included in this element which commits the City to amending the R-2 and MU zones to remove the limitation on the number of stories in the maximum building height standard.

Manufactured Housing

The City's definition of manufactured housing is the same as defined in Section 18007 of the Health and Safety Code. Section 17.24.091 of the City's Zoning Code contains standards for manufactured homes that restricts the placement of these types of units to the Planned Development Residential (PD-R) zone. This requirement of the Zoning Code is inconsistent with State law because manufactured homes must be allowed in the same zones as stick-built residential structures (Government Code Section 65852.3). Section 17.24.091 also contains the following eligibility requirements for manufactured homes to ensure they are permitted on compatible lots:

- The manufactured home must be certified under the National Manufactured Housing Construction and Safety Standards Act of 1974.
- The manufactured home shall have been constructed and certified not more than 10 years before date of application for the required installation permit or permits.
- The manufactured home must be installed on a permanent foundation system being designed in accordance with the provisions of Section 18551 of the Health and Safety Code and the City's current building standards and practices.
- The manufactured home shall be subject to all development standards to which a conventional single-family residence on the same parcel would be subject (see Section 17.24.260).
- The manufactured home must be owned by the property owner of record.
- The manufactured home may be precluded in an area or proposed to be listed on the National Registry of Historic Places consistent with Government Code Section 65851.3(b).

Because the City's current code requirements for manufactured housing are not consistent with State housing law, the City defers to State law when reviewing these types of units. Due to this inconsistency with State law, Program HI-1 has been included in this element which commits the City to amending the Zoning Code to allow manufactured housing in the same manner and in the same zones as conventional or stick-built structures are permitted.

Mobile Homes

The City's definition of mobile homes is the same as defined in Section 18008 of the Health and Safety Code. There is currently one privately-owned mobile home park in the City, with a total of 41 occupied mobile home spaces. As indicated in **Table 26**, mobile home parks are allowed with a use permit in the R-3 and PDR zones. Similar to manufactured homes, a mobile home that is proposed to be located on an individual lot is subject to the requirements of Section 17.24.091 of the Zoning Code. As noted above, Section 17.24.090 contains standards that restrict the placement of individual mobile home units to the Planned Development Residential (PD-R) zone. This requirement of the Zoning Code is inconsistent with State law because mobile homes must be allowed in the same zones as stick-built residential structures (Government Code Section 65852.3). Because the City's current code requirements for individual mobile homes are not consistent with State housing law, the City defers to State law when reviewing these types of units. Due to this inconsistency with State law, Program HI-1 has been included in this element which commits the City to amending the Zoning Code to allow mobile homes in the same manner and in the same zones as conventional or stick-built structures are permitted.

Farmworker Housing

California law (Government Code Section 65583(c)(1)(C)) requires the adequate provision of sites to accommodate the housing needs of farmworkers. Housing elements should ensure that local zoning, development standards, and permitting processes comply with the Employee Housing Act Sections 17021.5 and 17021.6. Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. A jurisdiction cannot require any minor use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required of a single-family dwelling of the same type in the same zone. Section 17021.6 generally requires employee housing consisting of not more than 36 beds in group quarters or 12 units or less designed for use by a single family or household to be treated as an agricultural use in agricultural zoning districts. A jurisdiction cannot require a minor use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required of any other agricultural activity in the same zone.

The City's Zoning Code allows housing for farm employees in the Agriculture Exclusive (AE) zone. The AE zone allows a maximum of one dwelling unit per 10 acres by-right and one additional dwelling unit for each additional 10 acres (also by-right). The AE zone also specifies that such dwelling units shall be occupied by the farm and farm employees only (see Zoning Code Section 17.16.020(A)(1)). Additionally, the City's Zoning Code

defines a “Farm Dwelling” as a dwelling on farm premises for permanent residents of the farm, such as the owner, lessee, foreman or other whose principle employment is the operation of the farm, as distinguished from quarters for seasonal labor. Currently, there is only one property in the City that is zoned AE (APN 025-091-021), which is an approximately 4.5-acre parcel on the southern boundary of the City that has historically been used for crop production and grazing. This property is not included in the sites inventory in this element as a site needed to accommodate the City’s share of the regional housing need.

As discuss above, California Health and Safety Code Sections 17021.5 and 17021.6 generally require agricultural employee housing to be permitted by-right, without a discretionary permit (e.g., Conditional Use Permit, Site Plan Approval, etc.), in single-family zones for six or fewer persons and in agricultural zones with no more than 12 units or 36 beds. Additionally, Section 17021.6 requires that the permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located. To ensure the City’s Municipal Code is compliant with these sections of the Health and Safety Code, pProgram HI-1 has been included in this element which commits the City to making the following code 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.

Emergency Shelters

The California Health and Safety Code (Section 50801) defines an emergency shelter as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay.”

Senate Bill 2 requires jurisdictions to allow emergency shelters and transitional housing without a conditional use permit or other discretionary permit (e.g., Site Plan Approval, Design Review, etc.). The City must identify a zone or zones where emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit. The zone or zones identified must have land available to accommodate an emergency shelter.

The City of Blue Lake’s Municipal Code does not have any provisions identifying or allowing emergency shelters within the city. The City has included Implementation Program HI-1 to comply with State Law and is proposing a zoning amendment afterbefore adoption of the Housing Element update. As indicated in the time frame for HI-1, this amendment will be adopted by the City Council prior to the adoption of the Housing Element for the 6th cycle planning period. This amendment was adopted by the City Council in December 2022 and took effect in January 2023 (see Municipal Code Section 17.16.111(B)(8)).

While it is unlikely due to the limited services that an emergency shelter would be developed in the City of Blue Lake, the ~~Mixed-Use (MU)~~ and Opportunity (O) zones ~~have~~has been identified as appropriate to accommodate an emergency shelter, should one be needed. The City assumes the emergency shelter would be best suited as a new development in the Powers Creek District due to the limited vacant land in the Downtown area or space available in existing vacant buildings in the Downtown area. The Powers Creek District contains several acres of vacant or underutilized land that is zoned O and could be developed with an emergency shelter. In addition to amending the O zone to allow emergency shelters as a principally permitted use, the City is also proposing to include objective standards as allowed by Government Code Section 65583(a)(4)(A). The objective standards include: 1) The shelters shall have onsite management and security shall be provided during hours when the shelter is open; 2) Each shelter shall be limited to a maximum of 15 beds; and 3) There shall be a separation of 300 feet between emergency shelters.

Transitional and Supportive Housing

SB 2 requires that transitional and supportive housing types be treated as residential uses and subject to only those restrictions that apply to other residential uses of the same type in the same zone.

Transitional housing is defined in Section 50675.2 of the Health and Safety Code as rental housing for stays of at least six months but where the units are recirculated to another program recipient after a set period. It may be designated for a homeless individual or family transitioning to permanent housing. This housing can take many structural forms such as group housing and multi-family units and may include supportive services to allow individuals to gain necessary skills in support of independent living.

Supportive housing is defined by Section 50675.14 of the Health and Safety Code as housing with linked on-site or off-site services, with no limit on the length of stay, and occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Service linked to supportive housing are usually focused on retaining housing, living and working in the community, and/or health improvement.

Both transitional and supportive housing types must be permitted explicitly in the City's Zoning Code. There are not currently specific definitions for these housing types in the City's Zoning Code and they are not included under the definitions for single-family housing and multi-family housing. Because the City's Zoning Code does not specifically address these housing types, the City defers to the requirements of State law when reviewing these types of units. To address this inconsistency with State law, Program HI-1 has been included in this element which commits the City to amending the Zoning Code to permit transitional and supportive housing as permitted uses subject to only the same restrictions on residential uses contained in the same type of structure.

Housing for Persons with Disabilities

This section analyzes the governmental constraints that may exist on the development of housing for persons with disabilities. In compliance with SB 520, a complete evaluation of the City's zoning laws, practices, and policies was done as a part of the Housing Element update process. State legislation (SB 520, 2001) requires the City to analyze the governmental constraints on the development of housing for persons with disabilities and demonstrate the City's efforts to remove such constraints, including accommodating procedures for the approval of group homes.

The City has analyzed its land use, zoning, and building code provisions and processes to determine what accommodations and constraints exist relative to housing for persons with disabilities. Persons with disabilities may reside in residential units in any zoning district that allows residential uses. Some may choose to reside in a residential facility or group home designed for occupancy by persons with disabilities or with supportive services.

The City's current definition of family places limitations on the number of unrelated persons, which could potentially pose a constraint on housing choice for persons with disabilities. The City's definition is as follows: "Family" means one person living alone; two or more persons related by blood, marriage or legal adoption; a group not in excess of five unrelated persons living together as a single housekeeping unit; and in addition thereto domestic employees." To remove the potential constraint presented by the City's definition of family, Implementation Program HI-1 has been included in this element which commits the City to updating the definition of family to a barrier-free definition (e.g., "One or more persons living together in a dwelling unit") to ensure it is consistent with State housing law. With the revision of the definition of family in the City's Zoning Code to a barrier-free definition, this would remove a potential constraint to nonlicensed group home facilities.

The Zoning Code does not contain a definition of residential care facilities or group homes but does contain definitions for nursing homes, rooming houses, and boarding houses, which are defined as the following:

- Nursing homes: A structure operated as a lodging house in which nursing, dietary, and other personal services are rendered to convalescents, invalids, or aged persons, not including persons suffering from contagious or mental diseases, alcoholism, or drug addiction, and in which surgery is not performed and primary treatment, such as customarily is given in hospitals or sanitariums, is not provided. A convalescent home or a rest home shall be deemed a nursing home.
- Rooming House: A dwelling or structure occupied by four or more persons who have agreed to pay a specific rent for a specific space as distinguished from guests subject to innkeeper's liability.
- Boarding House: A dwelling, other than a hotel, wherein lodging and/or meals for four or more persons is provided for compensation.

The Zoning Code allows rest homes (which includes nursing homes and convalescent homes) in the R-1, PDR, and RC zones with a conditional use permit. Rooming and boarding houses are both allowed in the R-1, R-2, PDR, and HC zones with a conditional use permit. The Zoning Code does not contain a limit on the number of these housing types that may be in an area of the City. Additionally, these housing types must comply with the same site planning requirements that are applicable to other residential uses in the same zone.

Generally, the City's Zoning Code does not have limitations on housing that is specifically intended for persons with disabilities. The City's Zoning Code facilitates access for persons with disabilities by allowing uncovered porches, fire escapes, landing places, and ramps to extend into setbacks. However, to remove potential constraints relative to housing for persons with disabilities, pProgram HI-1 has been included in this element which commits the City to the following: 1) Amend the Zoning Code to 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 2) Amend the Zoning Code to allow larger group homes of seven or more persons in the R-3, MU, O, and PD-R zoning districts with a conditional use permit and subject only to the same restrictions applicable to other residential uses in that zone.

The City's Zoning Code also does not have a reasonable accommodation procedure. The City has included Implementation Program HI-1, which requires the City to develop a process for reasonable accommodation and provide information to individuals with disabilities about the process. With the amendments proposed in pProgram HI-1, the City's Zoning Code would not constrain the development, maintenance, improvement, or alteration of housing for persons with disabilities.

- ~~**Reasonable accommodations.** The City's Zoning Code does not have a reasonable accommodation procedure. The City has included implementation program HI 1, which requires the City to develop a process for reasonable accommodation and provide information to individuals with disabilities about the process.~~
- ~~**Separation requirements.** Once the portion of implementation program HI-1 related to residential care facilities is adopted, the City's Zoning Code will not impose any separation requirements between residential care facilities.~~
- ~~**Site planning requirements.** Once the portion of implementation program HI-1 related to residential care facilities is adopted, site planning requirements for residential care facilities will be no different than for other residential uses in the same zone.~~
- ~~**Definition of family.** The City's current definition is as follows "Family" means one person living alone; two or more persons related by blood, marriage or legal adoption; a group not in excess of five unrelated persons living together as a single housekeeping unit; and in addition thereto domestic~~

employees.one person.” The City has included implementation program HI-1, which requires updating the definition of family to ensure it is consistent with current housing law.

Accessory Dwelling Units

Section 17.24.270 of the Zoning Code defines accessory dwelling units (ADUs) as an attached or detached residential dwelling unit situated on the same lot as a primary unit, which provides complete independent living facilities for one or more persons. Assembly Bill (AB) 1866 requires local governments to use a ministerial process for considering accessory dwelling unit applications for the purpose of facilitating the production of affordable housing. During the 5th planning cycle, the City’s accessory dwelling unit regulations were determined by HCD to be “null and void” due the numerous inconsistencies with State regulations. Since that time, City staff has deferred to current State regulations for accessory dwelling units. City staff has contacted HCD (adu@hcd.ca.gov) on several occasions to ask questions and receive clarification to ensure that State ADU regulations were being properly implemented in the City. The City has included program HI-1 to comply with current State law regarding accessory dwelling units. To ensure the City’s ADU standards are compliant and remain compliant, the City has included pProgram HI-1 to amend the Zoning Code to cite/reference State law for ADUs.

Local Processing and Permit Procedures

The City works to ensure that permit applications are processed in a timely fashion, and that permit processing procedures do not present a constraint to new development. Shown in **Table 27** are the typical permit processing times for residential development and **Table 28** outline the estimated time required to process complete applications for a range of permits as well as an outline of the required processes for project approval. In addition, below is a description of the most common permit types that are required for single-family and multi-family housing development.

Table 27: Typical City Permit Process and Timelines

Type of Approval or Permit	Typical Processing Time	Approval Body
Building Permit	2-3 weeks	City Staff
Conditional Use Permit	2-3 months	Planning Commission
General Plan Amendment	3-4 months	Planning Commission and City Council
Zone Change	3-4 months	Planning Commission and City Council
Site Plan Approval	1-2 months	Planning Commission
Variance	1-2 months	Planning Commission
Parcel Maps	4-6 months	Planning Commission
Initial Study	3-4 months	Planning Commission
Environmental Impact Report	6-8 months	Planning Commission

Source: City of Blue Lake, 2022.

Shown in **Table 28** are the typical processing procedures for residential development.

Table 28: Typical Processing Procedures by Project Type

	Single-Family Unit	Subdivision	Multi-family < 5 Units
Typical Approval Requirements	Principally Permitted	Parcel Map Review (including approval by Planning Commission and City Council)	Conditional Use Permit
			Site Plan Approval
		CEQA	CEQA
Estimated Total Processing Time	1 to 2 months	4 to 6 months	2 to 3 months

Source: City of Blue Lake, 2022.

In the City of Blue Lake, the processing and permit procedures are not a constraint for experienced applicants and developers. However, there are sometimes delays in the submittal of building permit applications after planning approval is received for housing projects. There are several reasons for this including, but not limited to: 1) ability of the applicant and their consultants to comply with conditions of approval, mitigation measures, and other regulatory requirements; 2) ability of the applicant and their consultants to prepare complete building plans that comply with City and State code standards; and 3) the limited availability of City staff to navigate the applicant and their consultants through the process. Because of the primary reasons for these delays, this is not a governmental constraint over which the City has control. To assist applicants with their submittals, the City Building Official and City Planner hold office hours where applicants may schedule appointments (at no cost) to ask questions and receive guidance. Although there are limited appointments available (weekly for Building Official and bi-weekly for City Planner), many applicants have found this service to be helpful in assisting them through the process.

Conditional Use Permit

As indicated in **Table 24**, the zones in the City that allow multi-family development all require a conditional use permit for projects proposing five or more units. As indicated in **Table 27** and **Table 28**, the Conditional Use Permit process typically takes approximately 2-3 months to complete. The requirements for Conditional Use Permits are contained in Zoning Code Section 17.28.030. As stated in Section 17.28.030(A), “Use permits may be granted, upon application to the Planning Commission for any use for which a use permit is permitted or required by these regulations, or for any use which, while not specifically enumerated in these regulations, is, in the opinion of the Planning Commission, similar to and compatible with the uses permitted in the zone in which the subject property is situated.” Zoning Code Section 17.28.030(F) lists the findings that the Planning Commission must make before granting a use permit, which includes:

- That the proposed location of the conditional use is in accord with the objectives of subsection A of this section and the purposes of the zone in which the site is located.
- That the proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

Due to the discretionary nature of the Conditional Use Permit process and the subjective review criteria noted above, there is the potential for the use permit process to be a potential constraint to the development of multi-family housing in the City. To ensure that the use permit process does not inhibit multi-family development, the

City will adopt and apply a Residential High Density (RHD) Combining Zone to sites greater than 1 -acre in the R-3, MU, O, or PDR zones to allow multi-family residential uses by-right (see Program HI-14).

Site Plan Approval

The City of Blue Lake has a design review type process known as Site Plan Approval, which is required as part of the use permit process or when it is specifically required in a zoning district for principally permitted uses. With the exception of single-family structures, Site Plan Approval is required for most development on the sites categorized as vacant and likely developable in **Table 21**. As indicated in **Table 27**, the Site Plan Approval process typically takes approximately 1-2 months to complete. Section 17.24.250 of the Zoning Code provides the requirements for Site Plan Approval, which includes the “Principles to Be Followed” for Planning Commission review of a project. The principals to be followed include:

1. Review of buildings or structures for scale, mass, proportion, use of materials, relationship to adjacent elements and relationship to the community as a whole.
2. Review of proposed exterior color and material application with relationship to adjacent architectural or natural elements.
3. Review of proposed location, height and materials of walls, fences, hedges and screen plantings to ensure harmony with adjacent development or to conceal storage area, utility installations or other unsightly development. The planting of ground cover or other surfacing to prevent dust and erosion. The unnecessary destruction of existing healthy trees and woody vegetation.
4. Review of location, color, size, height, lighting, and landscaping of outdoor advertising signs and structures, in relation to traffic hazards and the appearance and harmony with the environment.
5. Review of location, height and material of walls, fences, hedges and screen plantings.
6. Review of site layout considering the orientation and location of buildings and open spaces in relation to the physical characteristics of the site, the character of the neighborhood, the appearance and harmony of the buildings with adjacent development and the surrounding landscape.
7. Review of the effect of the site development plan on traffic conditions on abutting streets. The layout of vehicular and pedestrian entrances, exits, drives and walkways. The adequacy of off-street parking facilities to prevent traffic congestion. The location, arrangement, and dimensions of truck loading and unloading facilities. The circulation patterns within the boundaries of the development. The surfacing and lighting of off-street parking facilities.
8. Review of the effect of the site development plan on the adequacy of storm and surface water drainage.
9. Review of the location, height, size, wattage, and shielding of outdoor lighting.
10. Nothing contained herein shall be construed as restricting or curtailing any of the powers of the Planning Commission of the City of Blue Lake.

The above principles to be followed contain several criteria that would allow the potential for personal or subjective judgement by decision makers, which is inconsistent with the requirements of the Housing Accountability Act (HAA; Government Code Section 65589.5, subdivision (f)). The requirements of the HAA are intended to provide developers certainty in what standards, conditions, and policies apply to their project and how those standards can be met. Local governments that deny a project due to a failure to meet subjective standards could be in violation of the HAA. Local governments are not prohibited from requiring a housing development project to comply with objective, quantifiable, written development standards, conditions, and policies. 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. The following language from the “Principles to Be Followed” for Site Plan Approval do not meet the definition of objective:

- Relationship to adjacent elements and the community as a whole.
- Relationship to adjacent architectural or natural elements.
- To ensure harmony with adjacent development.
- The appearance and harmony with the environment.
- In relation to the physical characteristics of the site, the character of the neighborhood, the appearance and harmony of the buildings with adjacent development and the surrounding landscape.

To address the inconsistency of the “Principles to Be Followed” with State housing law (Government Code Section 65589.5, subdivision (f)), Program HI-21 has been included in this element which commits the City to replacing the subject review criteria for the Site Plan Approval process (Zoning Code Section 17.24.250(F)) with objective standards.

Design Guidelines

The City of Blue Lake has design guidelines specific to three categories: Residential Design Guidelines for Historic Designated Structures, Downtown Design Guidelines, and Mixed-use Design Guidelines. The City’s design guidelines aim to preserve the community’s identity and unique character. The purpose and applicability of the three categories of guidelines is provide below.

- **Residential Design Guidelines for Historic Designated Structures.** These design guidelines were developed to: a) assist in the preservation of the area’s historic uniqueness; b) promote new construction and alterations of existing structures which will be aesthetically pleasing; c) maintain the residential architecture of Blue Lake; and d) encourage development appropriate to the working class character of the town. These are also intended to assist owners/buyers in making decisions about the wide range of issues affecting the appearance of their property in its setting. It is not the intent of these guidelines to consider any interior changes or uses but to encourage consistency with retention of the exterior character and feel of the structure. Furthermore, items such as trim, shutters, paint color and other items not of a permanent nature that can be changed are not covered by these guidelines. Because they apply to existing historic designated structures, these guidelines are not applicable to the sites categorized as vacant and likely developable in the sites inventory of this element.
- **Downtown Design Guidelines.** These design guidelines were developed as part of the Blue Lake’s downtown revitalization project to: a) assist in the preservation of that area’s historic uniqueness; b) promote new construction and alterations of existing structures which will be aesthetically pleasing; c) maintain the “no frills” architecture of the designated area; and d) encourage development appropriate to the working-class character of the town. They are also intended to assist owners/buyers in making decisions about a wide range of issues affecting the “look” of their property in its setting. These guidelines are intended to provide recommendations for development within the City Center boundary delineated in the General Plan Downtown Element, which primarily consists of sites that are zoned Mixed-Use (MU), Retail Commercial (RC), and Service Commercial (SC). These guidelines are only applicable to two of the MU zoned sites (APNs 025-071-012 and 025-076-006) categorized as vacant and likely developable in the site inventory of this element (see **Table 21**).

- **Mixed-Use Design Guidelines.** These design guidelines were developed to allow for the compatible and beneficial mixture of residential and commercial uses in specific areas of the City. These guidelines apply to sites that are zoned Mixed-Use and are located outside of the City Center boundary delineated in the General Plan Downtown Element. These guidelines are only applicable to one of the MU zoned sites (APNs 025-141-007) categorized as vacant and likely developable in the site inventory of this element (see Table 21).

Although some of the City’s zoning districts state that development is subject to the above guidelines (see MU zone, Municipal Code Section 17.16.110.E), The City’s design guidelines they have not technically been adopted as part of the Municipal Code and, therefore, are only recommendations and not enforceable standards for development in the City. In addition, the guidelines only apply to historic designated structures (Residential Design Guidelines for Historic Designated Structures), development in the downtown area City Center boundary (Downtown Design Guidelines), and development in on the sites zoned Mixed-Use zone that are outside of the City Center boundary (Mixed-Use Design Guidelines). As noted above, the City’s design guidelines only apply to three sites (APNs 025-071-012, 025-076-006, and 025-141-007) that are categorized as vacant and likely developable in the sites inventory of this element. As indicated in Table 21, these sites have an estimated realistic unit potential of eight units that are identified as being suitable for the above moderate-income category. Due to their limited applicability of the City’s design guidelines to the sites identified as being suitable for meeting the City’s RHNA, these design guidelines are not considered to be a significant constraint burden on new housing development in Blue Lake. To minimize confusion regarding the applicability of the City’s design guidelines, Program HI-22 has been included in this element which commits the City to revising references to the guidelines in the Zoning Code to make it clear that they are recommendations and not enforceable standards.

Planning and Building Permit Processing Fees

State law requires that local permit processing fees charged by local governments must not exceed the estimated actual cost of processing the permits. The City uses full-cost recovery for its planning and building permitting and ministerial approval processes. The most common discretionary planning approvals for housing development in the City are conditional use permits, site plan approval, and minor subdivisions. The minimum fee deposits currently charged by the City for processing these various application types are listed below in Table 29. The actual average costs for these application types are also noted. Compared with the fees charged by the County for development in the unincorporated areas and the larger cities in the County (i.e., Arcata and Eureka), Blue Lake’s fees are generally lower. These fees represent a very small part of the overall value of each residential unit, so do not represent a constraint to housing development.

- Conditional Use Permit = \$650 fee deposit (avg. actual cost = \$1,500)
- Site Plan Approval = \$440 (avg. actual cost = \$1,000)
- Minor Subdivision = \$1,700 (avg. actual cost = \$8,000)

Table 29: Permit Processing Fees

Permit	Fee
<u>General Plan Amendment</u>	<u>Actual Cost - \$1,170 deposit</u>
<u>Zone Change</u>	<u>Actual Cost - \$880 deposit</u>
<u>Conditional Use Permit</u>	<u>Actual Cost - \$650 deposit</u>
<u>Site Plan Approval</u>	<u>Actual Cost - \$440 deposit</u>

Permit	Fee
Variance	Actual Cost - \$430 deposit
Minor Subdivision (4 parcels or less)	Actual Cost - \$1,700 deposit
Major Subdivision (4 parcels or more)	Actual Cost - \$1,680 deposit plus \$240 per parcel
Lot Line Adjustment	Actual Cost - \$350 deposit
Parcel Merger	Actual Cost - \$350 deposit
Initial Study and Negative Declaration	Actual Cost - \$465 deposit
Environmental Impact Report	Actual Cost (Review Only) - \$1,170 deposit
Home Occupation Permit	\$100
Appeal	Equal to the filing fees - \$100 min. to \$650 max.

Development Impact Fees

Currently, the City does not have only requires development impact fees for each additional parcel created through a subdivision. These include a Parkland and Recreation Facilities fee of \$232 per parcel and a Drainage Facilities Improvement fee of \$465 per parcel. The City’s existing development impact fees are relatively low and are not considered a constraint to development.

As noted in the section entitled “Water and Sewer Capacity,” improvements to the City’s wastewater treatment plant are required to ensure there is sufficient treatment capacity during the planning period. Future residential development in the City will be required to pay a fair share contribution towards these improvements, which will be based on the estimated number of residential equivalent units (REUs) for each project. Based on the estimated cost of the required improvements (<\$300,000) and the number of additional REUs that would result (180 REUs), the fees are anticipated to be less than \$1,750 per REU. Similar to the City’s permit processing fees, these fees represent a very small part of the overall value of each residential unit, so would not represent a constraint to housing development.

Building and Code Enforcement

Building Standards

The City of Blue Lake’s Municipal Code (Section 15.04.010) states that the California Building Standards Code, Title 24, California Code of Regulations, is adopted into the Municipal Code by reference. Municipal Code Section 15.04.020 states that all amendments and revisions to Title 24 are adopted by reference and become effective 180 days after publication in the State Building Standards Code by the State Building Standards Commission. The City Building Official has indicated that staff currently uses the 2019 Edition of the California Building Code (CBC), which is the most recent amendment. The City has not made any local amendments to the 2019 CBC.

The City has amended the Uniform Building Code to match the local context by making the following housing development-related adjustments:

- Allowing the Building Inspector to halt occupancy and require property owners to bring buildings into compliance with load-bearing or setback regulations if they exceed the City’s officially-adopted ordinances;

- Creating a Board of Appeals body to approve buildings materials and construction methods—full details of this body are defined in Municipal Code Chapter 2.32;
- Allowing the Building Official to employ a consultant if the Official requires specialized knowledge for ministerial review of an application; and
- Requiring the possession of an encroachment permit by an applicant if work occurs in a public right-of-way.

The City of Blue Lake Planning and Building Services Department views code enforcement as thea means to ensure safe and uniform construction practices critical to providing decent, suitable shelter for all economic segments of the community, and to safeguard the general health, safety, and welfare of the community. The City of Blue Lake does not have a code enforcement department and code enforcement is conducted on a complaint basis by the Building Official and City Planner pursuant to the requirements of Municipal Code Chapter 8.04 (Nuisance Abatement). Therefore, enforcement of the Building Code and Zoning Code is not viewed as an obstacle to the provision of affordable housing in the city.

On- and Off-Site Improvements

Title 16 of the City’s Municipal Code contains the standards for subdivisions, which requires a number of improvements in connection with the approval of subdivision maps. These include improvements to the frontage of the lot, stormwater management improvements, access improvements, and any required utility connections and improvements required to underground those utilities in most circumstances. The following are the general improvement requirements contained in Chapter 16.08 (Improvement Requirements) of the City’s Subdivision Code (Municipal Code Title 16, as amended):

- A. The subdivider shall install improvements in accordance with the general requirements set forth in the subdivision agreement and this chapter, provided that the City Engineer may require technical changes if non-standard conditions arise during construction.
- B. Inundation. If any portion of any land, within the boundaries shown on any such final map, is subject to overflow, inundation or flood hazard by storm waters, such fact and said portion shall be clearly shown on such final map on each sheet of said map and further adequate storm drain system and/or levees, dikes, pumping systems and other protective infrastructure shall be provided. All developments shall comply with Chapter 13.20 of the City of Blue Lake Municipal Code, as amended.
- C. Streets and Highways. Design standards shall be based upon current Caltrans plans and specifications, AASHTO standards, City standards, and APWA standards, as approved by the City Engineer.
- D. Structures. Structures shall be installed as deemed necessary by the City Engineer for drainage, access and/or public safety. Such structures to be placed to grades and to be of a design approved by the City Engineer. Structures supporting traffic shall be designed to accommodate H-20 loading.
- E. Sidewalks, Curbs and Gutters. Curbs, gutters and sidewalks shall be of concrete and shall be installed according to standard plans and specifications of the City. Sidewalk width shall be as provided in Chapter 15.08 of the City of Blue Lake Municipal Code, as it is amended from time to time.
- F. Sanitary Sewers. Sanitary sewer lines and appurtenances, including manholes, pump stations, and service lines, shall be provided within all subdivisions and shall connect with existing sewer lines and appurtenances. Where a sewer line is constructed or laid within a street, the subdivider shall install a lateral connection extending to the right-of-way line to serve each lot within the subdivision. Sanitary sewer lines, appurtenances, and service connections shall be constructed of a size, design, and laid to grades established and/or accepted by the City Engineer.

1. Where sanitary sewers are not available immediately adjacent to the proposed subdivision, or where pretreatment wastewater facilities are required as part of the development, connection to the City's sanitary sewer system shall be made in accordance with current policies as adopted by the City Council and Chapter 13.16 of the City of Blue Lake Municipal Code, all as amended.
2. All pumping systems, including drainage pumps, shall be designed in accordance with City standards and shall include both an economic analysis of the cost of operation of such system, and the source of financing for the operation of such system, and all shall be approved by the City Engineer.

G. Drainage Works.

1. The subdivider shall provide such drainage structures, including storm sewers, drainage channels and drainage pumps, as may be necessary for adequate drainage of surface and storm waters, and further including means for the disposal of surface and storm waters generated by the subdivision. Disposal of surface and storm waters into drainage wells or sewer lines shall not be permitted. Drainage facilities shall be installed as required by the City Engineer.
2. All pumping systems, including drainage pumps, shall be designed in accordance with City standards and shall include both an economic analysis of the cost of operation of such system, and the source of financing for the operation of such system, and all shall be approved by the City Engineer.

H. Water.

1. Adequate water supply and distribution system, water mains and fire hydrants connected to the water system serving the City of Blue Lake shall be installed by the subdivider. Where further development appears probable beyond the proposed subdivision, the subdivider may be required to install larger water mains to handle such additional development. Where additional storage facilities or pumps are required to serve the development, the developer may be required to have such facilities constructed. All development shall conform with Chapter 13.08 of the City of Blue Lake Municipal Code, as amended.
2. All pumping systems, including drainage pumps, shall be designed in accordance with City standards and shall include both an economic analysis of the cost of operation of such system, and the source of financing for the operation of such system, and all shall be submitted to the City Engineer.
3. A detailed computer analysis shall be submitted to the City Engineer which identifies the impacts upon the existing City system in the areas of distribution, storage supply, and water quality, unless waived by the City Engineer.

I. Street Trees. Street trees may be required by the Planning Commission and shall be of a type approved by the City Engineer and planted in locations approved by the City Engineer.

J. Street Lighting. Street lighting shall be as required by the Planning Commission and shall meet current City standard plans and specifications.

K. Railroad Crossings. Provisions shall be made for any and all railroad crossings necessary to provide access to or circulation within the proposed subdivision, including the preparation of all documents necessary for application to the current railroad owner for the establishment and improvement of such crossings. The cost of such railroad crossing improvement shall be borne by the subdivider, and shall be designed and built consistent with current California State Public Utilities Commission requirements and standards.

L. Complete Improvement Plan. Three complete sets of improvement plans "as built" shall be filed with the Director of Public Works upon completion of said improvements. The three complete sets of plans shall be comprised of one reproducible set and two sets or blueprints. Upon receipt and acceptance of said "as-built" plans, the City Engineer will issue a certificate of acceptance when all requirements of the City are met.

M. Underground Utilities Required.

1. All utility distribution facilities, including but not limited to electric, communication and cable television lines, fire alarm systems, installed in and for the purpose of supplying service to any subdivision, shall be placed underground, except for equipment appurtenant to underground facilities, such as surface-mounted transformers, pedestal-mounted terminal boxes and meter cabinets, concealed ducts and poles supporting street lights.
2. All underground installation under roadway shall be completed prior to the paving of the roadway.
3. Public and private utility easements shall be provided by the subdivider as required. The subdivider shall make the necessary arrangements with the utility companies involved for the installation of said facilities.

The subdivision improvements required by the City of Blue Lake are relatively rudimentary and are comparable to the improvement standards required by the County and other local jurisdictions. Since these improvements are typically required by most jurisdictions for subdivisions and are necessary for public health and safety purposes, these requirements should not be considered a constraint on new housing development.

Review of Local Ordinances

The City does not have any locally adopted ordinances that hinder the development of housing.

Nongovernmental Constraints

Development Costs

Local residential construction cost information was not readily available for the City of Blue Lake but residential construction cost data for Fortuna and Arcata—two Humboldt County cities which are similar in size and location both along U.S. Highway 101 and the coastline—was available. In Arcata, single-family residential construction costs ranged from \$122 to \$136 per square foot in 2019. Based on that estimate, the total construction cost for an average 1,200 square-foot single-family home would therefore equate to as low as \$146,400 or as high as \$163,000 total. The average multi-family residential development construction cost in Arcata was slightly higher at an approximate \$245 per square-foot. Based on that estimate, the total construction cost for a multi-family development consisting of a gross total of 8,000 square feet was an estimated \$1,959,696. This equates to an approximate construction cost of \$244,962 per each 1,000 square-foot unit in the 8,000 square-foot, multi-family residential shell space. In Fortuna, the average single-family residential construction cost per square foot was \$156 in 2019. Based on that estimate, therefore, the gross construction cost for a 1,200 square-foot, single-family home in Fortuna would be an estimated \$187,200. There were no estimates available for multi-family residential construction costs in Fortuna.

Construction costs for both single- and multi-family residential developments in Blue Lake, therefore, are most likely similar to these estimates in both Fortuna and Arcata.

Construction costs vary widely according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, wide variation within each construction type exists depending on the size of the unit and the number and quality of amenities provided, such as fireplaces, accessory buildings, and interior fixtures, among others.

In addition to construction costs, the price of land is one of the largest components of housing development costs. Land costs vary depending on whether the site is vacant or has an existing use that must be removed. Similarly, site constraints such as environmental issues (such as, steep slopes, soil stability, seismic hazards, or flooding) can also be factor in the cost of land. Other costs stem from professional services such as land surveying

and engineering, soils engineering/analysis, site design, landscape and architectural design, and permit processing.

If labor or material costs increase substantially, the cost of construction in Blue Lake could rise to a level that impacts the price of new construction and rehabilitation. Therefore, increased construction costs have the potential to constrain new housing construction and the rehabilitation of existing housing. The City will continue to do its part in reducing development processing times and providing a more streamlined review process.

Availability of Financing

The cost of borrowing money to finance the construction of housing or to purchase a house affects the amount of affordably priced housing in Blue Lake. Fluctuating interest rates can eliminate many potential homebuyers from the housing market or render a housing project that could have been developed at lower interest rates infeasible. Typically, when interest rates decline, sales increase. The reverse has been true when interest rates increase. **Table 2930** illustrates interest rates as of ~~March 4~~ November 17, 2022. The table presents both the interest rate and the annual percentage rate (APR) for different types of home loans.

Table 2930: Interest Rates

Conforming	Interest	APR
30-Year Fixed	<u>3.75</u> 06.250	<u>3.85</u> 36.433
15-Year Fixed	<u>3.00</u> 05.750	<u>3.23</u> 66.065
Jumbo		
30-Year Fixed	<u>3.37</u> 55.500	<u>3.42</u> 25.622
15-Year Fixed	<u>3.12</u> 55.250	<u>3.24</u> 65.435

Source: *www.wellsfargo.com, ~~March 4~~ November 17, 2022.*

Financing for both construction and long-term mortgages is generally available in Humboldt County subject to normal underwriting standards. First-time homebuyers are the group most impacted by financing requirements. As indicated in **Table 30**, mortgage interest rates for new home purchases currently range from 5.5 to 6.25 percent for a fixed-rate 30-year loan. Lower initial rates are available with graduated payment mortgages, adjustable-rate mortgages, and buy-down mortgages; however, the subprime crisis has affected the availability of dollars for home mortgages. Variable interest rate mortgages on affordable homes may increase to the point where the interest rate exceeds the cost-of-living adjustments, which is a constraint to affordability. Although rates are currently low relative to historic rates, they can change significantly and impact the affordability of housing stock. Interest rates have increased by several percentage points over the last year, which has impacted the affordability of housing to some extent. A more critical impediment to homeownership involves the affordability of the housing stock and the ability of potential buyers to fulfill down payment requirements. Conventional home loans typically require 5 to 20 percent of the sales price as a down payment, which is the largest constraint to first-time homebuyers. This indicates a need for flexible loan programs and a method to bridge the gap between the down payment and a potential homeowner’s available funds. To assist in lowering the barriers for first-time homebuyers, Program HI-4 has been included in this element which commits the City to pursuing grant funding through the CalHome program.

Due to the City’s relatively small size, minimal staff, and limited resources, the City of Blue Lake does not have a housing trust fund or other financing programs to facilitate the development and preservation of affordable housing. The City also does not have any rental-based assistance programs. Some of these programs do exist in the larger cities in the County (i.e., Eureka, Arcata, and Fortuna), some of which are administered by the Housing Authority of the City of Eureka and County of Humboldt. The development of affordable housing in the County primarily occurs in the larger cities and requires assistance from government funding programs such as those

administered by the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD). Having a Housing Element that is compliant with State housing law increases the availability of State and federal funding programs needed to facilitate affordable housing development.

Non-governmental constraints such as the availability of financing are generally market driven and outside of the control of local government. However, Housing Element law requires jurisdiction to assess these constraints as a basis for possible action to offset their effects. Programs HI-3, HI-4, and HI-5 have been included in the element to address non-governmental constraints. These programs commit the City to advertising available subsidized housing programs, pursuing grant funding through the CalHome program, and working with developers to identify and pursue grant and funding opportunities for housing development.

Price of Land

An online survey of listings of vacant lots on Trulia and Craigslist in March 2022 indicated that there were no vacant lots available for sale in Blue Lake proper or in the unincorporated area surrounding Blue Lake. Most of the current real estate listings in the unincorporated areas surrounding the City are for cannabis farms, which are in rural locations and may have limited potential for residential development due to various constraints.

The City provided data summarizing land sales within city limits since 2014, which was the beginning of the 5th planning cycle. **Table 3031** describes each year the land sales occurred and how much each lot was sold for. When viewing the data, it becomes clear that most vacant lots have sold between \$140,000 and \$225,000 in Blue Lake. Most of these lots are between 7,000 – 12,000 s.f. except for the 3.1-acre parcel (APN 025-101-023) that has significant constraints due to onsite wetlands, limited access, and a narrow lot width. It is anticipated that the cost of vacant land has increased in the last two years since the cost of housing has increased by at least 15 percent in the more developed areas of the County.

Table 3031: Vacant Lots Sold 2014-2021

APN	Lot Size	Year Sold	Cost
025-101-023	3.1 acre	2014	\$195,000
025-062-012	0.17 acres	2016	\$139,000
025-081-006, -008	0.28 acres	2017	\$170,000
025-076-006	0.17 acres	2021	\$225,000

Source: City of Blue Lake, 2022

Appendix - Residential Energy Conservation

Housing elements must include a review of opportunities to encourage energy conservation in residential development (Government Code Section 65583(a)(7)). Energy conservation policies could reduce housing costs, promote sustainable design, and help reduce greenhouse gases. Title 24 of the California Administrative Code sets mandatory energy standards for new development and requires the adoption of an “energy budget.”

The California Department of Housing and Development encourages jurisdictions to take steps toward better energy conservation through their housing element updates. Policy ideas are listed on HCD’s website to help jurisdictions toward this goal. Additional resources are listed below.

Energy Conservation Resources

California Solar Initiative Rebates

Rebates vary according to system size, customer class, and performance and installation factors (www.gosolarcalifornia.org). There are two rebate programs: Expected Performance-Based Buydown (for systems that are less than 30 kilowatts) and Performance-Based Incentive (for all systems greater than 30 kilowatts).

Single-Family Affordable Solar Housing

The Single-Family Affordable Solar Housing (SASH) program offers incentives to qualified low-income homeowners to help offset the costs of a solar electric system. The SASH program is overseen by the California Public Utilities Commission and administered by GRID Alternatives, a nonprofit organization.

California Solar Initiative Multi-family Affordable Solar Housing

The Multi-family Affordable Solar Housing (MASH) program offers solar incentives for qualifying affordable multi-family dwellings. The program is overseen by the California Public Utilities Commission and offers incentives to qualifying affordable housing within the service territories of PG&E, Southern California Edison Company, and San Diego Gas & Electric. MASH provides fixed, upfront, capacity-based incentives for qualifying solar energy systems. The amount of the incentive depends on which track the applicant is eligible for.

Federal Solar Investment Tax Credit

The Federal Investment Tax Credit (ITC) for residential and commercial solar systems is 26 percent of net system cost. This tax credit was available on residential properties that commenced construction by 2020. The ITC then stepped down to 22 percent in 2021. After 2023, the residential credit will drop to zero, while the commercial and utility credit will drop to a permanent 10 percent.

Redwood Coast Energy Authority and Pacific Gas & Electric

PG&E owns and maintains all the electrical and natural gas infrastructure in Humboldt County. In May 2017, all electrical services were transferred from PG&E’s management to a newly-appointed joint power authority called the Redwood Coast Energy Authority (RCEA). The RCEA includes the County of Humboldt; the cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad; and the Humboldt Bay Municipal Water District. RCEA’s goal is to implement sustainable energy programs to reduce energy demand and enhance regional energy efficiency. RCEA’s energy sources come from more renewable sources (e.g. biomass & biowaste,

geothermal, eligible hydroelectric, solar electric, and wind). Residents may opt out of RCEA's power supply and return to PG&E service when they wish but residents otherwise are automatically opted in by default to RCEA's power service when they purchase property in Humboldt County. RCEA currently has a goal to adopt completely renewable energy sources by 2025 and furthermore achieve 100% local renewable electricity in 2030.

The Authority administers a number of programs for its customers, including residents in Blue Lake, including:

- Free Energy Advisor Consultation.
- Supporting installations of electric vehicle charging stations.
- Free Energy Efficiency Kit.

For residents who opt out of RCEA and return to PG&E energy service, PG&E offered the following energy conservation programs as of March 2020 (www.pge.com):

- SmartAC. Provides free equipment and installation for the efficient regulation of central air conditioning systems and heat pumps for residential and small business customers.
- AC Quality Care Program. Provides rebates to customers to help pay for work done by AC Quality Care certified contractors.
- Energy analyzers and calculators (online).
- Zero Net Energy (ZNE) program. Began in 2010 to support the 2008 California Long Term Energy Efficiency Strategic Plan; ZNE goals state that all new residential construction will be ZNE by 2020.
- Rebate Program. Offers a range of rebates on energy-saving products for residential owners.
- Home Upgrade program. Offers up to \$4,500 in rebates from PG&E for energy-efficiency upgrade projects.
- Energy Upgrade California Home Upgrade rebate program.

Local Program

The City of Blue Lake has chosen to endorse a component of the RePower Strategic Plan, referred to as the Mad River Valley Community Energy Upgrade Program. This pilot project focuses on energy efficiency, solar energy systems, and heat pumps for residences and businesses, as well as recruitment and training of contractors and equipment technicians throughout the Mad River Valley. The goal of the project is to develop and implement an innovative, community-based energy upgrade program in the Mad River Valley Community that will demonstrate a sustainable model for financing and market deployment across all Humboldt County.

Appendix - Glossary

Affordable Housing: Under State and federal statutes, housing which costs no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowner association fees, and other related costs. TRPA defines affordable housing as deed-restricted housing to be used exclusively for lower-income households (income not in excess of 80 percent of the county’s median income) and for very low-income households (income not in excess of 50 percent of the county’s median income), and with costs that do not exceed recommended state and federal standards.

Assisted Housing: Housing that has been subsidized by federal, state, or local housing programs.

California Department of Housing and Community Development - HCD: The State Department responsible for administering State-sponsored housing programs and for reviewing housing elements to determine compliance with State housing law.

CalHome Program: A grant program administered by HCD and awarded to local public agencies and nonprofits to be used to assist local homeownership programs aimed at lower and very-low income households in order to increase and maintain homeownership, encourage neighborhood revitalization and sustainable development, and maximize the use of existing homes.

Census: The official United States decennial enumeration of the population conducted by the federal government.

Community Development Block Grant (CDBG): A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities, and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development.

Compatible: Capable of existing together without conflict or ill effects.

Condominium: A building or group of buildings in which units are owned individually, but the structure, common areas and facilities are owned by all owners on a proportional, undivided basis.

Consistent: Free from variation or contradiction. Programs in the General Plan are to be consistent, not contradictory or preferential. State law requires consistency between a general plan and implementation measures such as the zoning ordinance.

Contract Rent: The monthly rent agreed to, or contracted for regardless of any furnishings, utilities, or services that may be included.

Density: The number of dwelling units per unit of land. Density usually is expressed “per acre,” e.g., a development with 100 units located on 20 acres has density of 5.0 units per acre.

Density, Residential: The number of permanent residential dwelling units per acre of land. Densities specified in the General Plan may be expressed in units per gross acre or per net developable acre.

Density Bonus: The allocation of development rights that allows a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned. Under Government Code Section 65915, a housing development that provides 20 percent of its units for lower income households, or ten percent of its units for very low-income households, or 50 percent of its units for seniors, is entitled to a density bonus and other concessions.

Developable Land: Land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas.

Development Impact Fees: A fee or charge imposed on developers to pay for a jurisdiction's costs of providing services to new development.

Development Right: The right granted to a land owner or other authorized party to improve a property. Such right is usually expressed in terms of a use and intensity allowed under existing zoning regulation. For example, a development right may specify the maximum number of residential dwelling units permitted per acre of land.

Dwelling, Multi-family: A building containing two or more dwelling units for the use of individual households; an apartment or condominium building is an example of this dwelling unit type.

Dwelling, Single-family Attached: A one-family dwelling attached to one or more other one-family dwellings by a common vertical wall. Row houses and town homes are examples of this dwelling unit type.

Dwelling, Single-family Detached: A dwelling, not attached to any other dwelling, which is designed for and occupied by not more than one family and surrounded by open space or yards.

Dwelling Unit: A room or group of rooms (including sleeping, eating, cooking, and sanitation facilities), that constitutes an independent housekeeping unit, occupied or intended for occupancy by one household on a long-term basis.

Element: A division or chapter of the General Plan.

Emergency Shelter: An emergency shelter is a facility that provides shelter to homeless families and/or homeless individuals on a limited short-term basis.

Encourage: To stimulate or foster a particular condition through direct or indirect action by the private sector or government agencies.

Enhance: To improve existing conditions by increasing the quantity or quality of beneficial uses or features.

Family: (1) Two or more persons related by birth, marriage, or adoption [U.S. Bureau of the Census]. (2) An individual or a group of persons living together who constitute a bona fide single-family housekeeping unit in a dwelling unit, not including a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house or institution of any kind [California].

Feasible: Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.

General Plan: The General Plan is a legal document, adopted by the legislative body of a City or County, setting forth policies regarding long-term development. California law requires the preparation of seven elements or chapters in the General Plan: Land Use, Housing, Circulation, Conservation, Open Space, Noise, and Safety. Additional elements are permitted, such as Economic Development, Urban Design and similar local concerns.

Goal: The ultimate purpose of an effort stated in a way that is general in nature and immeasurable.

Gross Rent: Contract rent plus the estimated average monthly cost of utilities (water, electricity, gas) and fuels (oil, kerosene, wood, etc.) To the extent that these are paid for by the renter (or paid for by a relative, welfare agency, or friend) in addition to the rent.

Group Quarters: A facility which houses groups of unrelated persons not living in households (U.S. Census definition). Examples of group quarters include institutions, dormitories, shelters, military quarters, assisted living facilities and other quarters, including single-room occupancy (SRO) housing, where 10 or more unrelated individuals are housed.

Homeless: Unsheltered homeless are families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., the street, sidewalks, cars, vacant and abandoned buildings). Sheltered homeless are families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter (e.g., emergency, transitional, battered women, and homeless youth shelters; and commercial hotels used to house the homeless).

Household: All those persons—related or unrelated—who occupy a single housing unit.

Household Income: The total income of all the persons living in a household. A household is usually described as very low income, low income, moderate income, and upper income based upon household size, and income, relative to the regional median income.

Housing and Community Development, Department of (HCD): The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low- and moderate-income households.

Housing and Urban Development, U.S. Department of (HUD): A cabinet-level department of the federal government that administers housing and community development programs.

Housing Authority, Local (LHA): Local housing agency established in State law, subject to local activation and operation. Originally intended to manage certain federal subsidies, but vested with broad powers to develop and manage other forms of affordable housing.

Housing Unit: The place of permanent or customary abode of a person or family. A housing unit may be a single-family dwelling, a multi-family dwelling, a condominium, a modular home, a mobile home, a cooperative, or any other residential unit considered real property under State law. A housing unit has, at least, cooking facilities, a bathroom, and a place to sleep. It also is a dwelling that cannot be moved without substantial damage or unreasonable cost.

Impact Fee: A fee, also called a development fee, levied on the developer of a project by a city, county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce.

Implementation Program: An action, procedures, program, or technique that carries out general plan policy. Implementation programs also specify primary responsibility for carrying out the action and a time frame for its accomplishment.

Income Category: Four categories are used to classify a household according to income based on the median income for the county. Under state housing statutes, these categories are defined as follows: Very Low (0-50% of County median); Low (50-80% of County median); Moderate (80-120% of County median); and Upper (over 120% of County median).

Infill Development: Development of vacant land (usually individual lots or left-over properties) within areas that are already largely developed.

Large Household: A household with 5 or more members.

Manufactured Housing: Housing that is constructed of manufactured components, assembled partly at the site rather than totally at the site. Also referred to as modular housing.

Median Income: The annual income for each household size within a region which is defined annually by HUD. Half of the households in the region have incomes above the median and half have incomes below the median.

Mitigate: To ameliorate, alleviate, or avoid to the extent reasonably feasible.

Mixed-use: Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design. A “single site” may include contiguous properties.

Mobile Home: A structure, transportable in one or more sections, built on a permanent chassis and designed for use as a single-family dwelling unit and which (1) has a minimum of 400 square feet of living space; (2) has a minimum width in excess of 102 inches; (3) is connected to all available permanent utilities; and (4) is tied down (a) to a permanent foundation on a lot either owned or leased by the homeowner or (b) is set on piers, with wheels removed and skirted, in a mobile home park.

Multi-family Dwelling Unit: A building or portion thereof designed for or occupied by two or more families living independently of each other, including duplexes, triplexes, quadplexes, apartments, and condominiums.

Overcrowding: Households or occupied housing units with 1.01 or more persons per room.

Parcel: A lot in single ownership or under single control, usually considered a unit for purposes of development.

Poverty Level: As used by the U.S. Census, families and unrelated individuals are classified as being above or below the poverty level based on a poverty index that provides a range of income cutoffs or “poverty thresholds” varying by size of family, number of children, and age of householder. The income cutoffs are updated each year to reflect the change in the Consumer Price Index.

Quantified Objective: The housing element must include quantified objectives which specify the maximum number of housing units that can be constructed, rehabilitated, and conserved by income level within a five-year time frame, based on the needs, resources, and constraints identified in the housing element (§65583 (b)). The number of units that can be conserved should include a subtotal for the number of existing assisted units

subject to conversion to non-low-income households. Whenever possible, objectives should be set for each particular housing program, establishing a numerical target for the effective period of the program. Ideally, the sum of the quantified objectives will be equal to the identified housing needs. However, identified needs may exceed available resources and limitations imposed by other requirements of state planning law. Where this is the case, the quantified objectives need not equal the identified housing needs, but should establish the maximum number of units that can be constructed, rehabilitated, and conserved (including existing subsidized units subject to conversion which can be preserved for lower- income use), given the constraints.

Regional Housing Needs Plan (RHNP): The Regional Housing Needs Plan (RHNP) is based on State of California projections of population growth and housing unit demand and assigns a share of the region’s future housing need to each jurisdiction within the AMBAG (Association of Monterey Bay Area Governments). These housing need numbers serve as the basis for the update of the Housing Element in each California city and county.

Regional Housing Needs Share: A quantification by a COG or by HCD of existing and projected housing need, by household income group, for all localities within a region.

Rehabilitation: The repair, preservation, and/or improvement of substandard housing.

Residential, Multiple Family: Usually three or more dwelling units on a single site, which may be in the same or separate buildings.

Residential, Single-family: A single dwelling unit on a building site.

Rezone: An amendment to the map and/or text of a zoning ordinance to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

Second Unit: A self-contained living unit, either attached to or detached from, and in addition to, the primary residential unit on a single lot. “Granny Flat” is one type of second unit intended for the elderly.

Seniors: Persons age 65 and older.

Shall: That which is obligatory or necessary.

Should: Signifies a directive to be honored if feasible.

Site: A parcel of land used or intended for one use or a group of uses and having frontage on a public or an approved private street. A lot.

Special Needs Groups: Those segments of the population which have a more difficult time finding decent affordable housing due to special circumstances. Under California Housing Element statutes, these special needs groups consist of the elderly, handicapped, large families, female-headed households, farmworkers and the homeless. A jurisdiction may also choose to consider additional special needs groups in the Housing Element, such as students, military households, other groups present in their community.

Subdivision: The division of a tract of land into defined lots in accordance with the Subdivision Map Act, either improved or unimproved, which can be separately conveyed by sale or lease, and which can be altered or developed.

Subsidize: To assist by payment of a sum of money or by the granting of terms or favors that reduce the need for monetary expenditures. Housing subsidies may take the forms of mortgage interest deductions or tax credits from federal and/or state income taxes, sale or lease at less than market value of land to be used for the construction of housing, payments to supplement a minimum affordable rent, and the like.

Substandard Housing: Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

Supportive Housing: Housing with a supporting environment, such as group homes or Single Room Occupancy (SRO) housing and other housing that includes a supportive service component such as those defined below.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

Transitional Housing: Transitional housing is temporary (often six months to two years) housing for a homeless individual or family who is transitioning to permanent housing. Transitional housing often includes a supportive services component (e.g. job skills training, rehabilitation counseling, etc.) to allow individuals to gain necessary life skills in support of independent living.

U.S. Department of Housing and Urban Development (HUD): The cabinet level department of the federal government responsible for housing, housing assistance, and urban development at the national level. Housing programs administered through HUD include Community Development Block Grant (CDBG), HOME and Section 8, among others.

Vacant: Lands or buildings that are not actively used for any purpose.

Zoning: The division of a city or county by legislative regulations into areas, or zones, which specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the General Plan.

Attachment 3

**Response to HCD Comment Letter (dated August 29, 2022) on First Draft of City of Blue Lake's
6th Cycle (2019-2027) Housing Element**



CITY OF BLUE LAKE

Post Office Box 458,
Phone 707.668.5655

111 Greenwood Road,

Blue Lake, CA 95525
Fax 707.668.5916

DATE: April 21, 2023

TO: Paul McDougall, Senior Program Manager
Department of Housing and Community Development
Division of Housing Policy Development
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

FROM: Amanda Mager, City Manager

**RE: City of Blue Lake's 6th Cycle (2019-2027) Draft Housing Element - Response to HCD
Comment Letter dated August 29, 2022**

Mr. McDougall,

This letter includes responses to the comments from HCD (dated August 29, 2022) for the City of Blue Lake's 6th Cycle Draft Housing Element. Each HCD comment is listed below, and the responses are provided after each comment. Where appropriate, the responses refer to the page number(s) in the Draft Housing Element where revisions have been made to address the comments.

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).)

HCD Comment A: 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.

City Response to Comment A: As indicated in the section of the Evaluation of the Previous Housing Element, the implementation of programs from the 4th planning cycle was limited during the 4th and 5th cycles. Additional discussion has been added to the beginning of this section (see pg. 20) summarizing the programs that were fully or partially implemented and discussing what effectiveness this has had on meeting the housing needs of special needs populations.

As discussed under the section of the Evaluation of the Previous Housing Element (Program 19, 20, and 25; see pgs. 25-26 and 28), the City was contacted by one developer interested in developing senior housing on APN 025-101-023 during the 5th planning cycle. As requested, the discussion of the implementation status of these programs was revised to explain why the project did not ultimately move forward. As explained in the revised discussion of these programs (see pgs. 25-26 and 28), the developer ultimately determined that the lot constraints would not allow for a viable project. The constraints included an irregular lot shape, a drainage easement along the northern property boundary, and a large area of wetlands in the middle portion of the site. As explained in the discussion of the implementation status of Program 3 (see pg. 21) and the revised discussion for Programs 19, 20, and 25 (see pgs. 25-26 and 28), APN 025-101-023 was ultimately approved for the development of three single-family residences with accessory dwelling units and two duplexes (total of 10 units).

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))*

HCD Comment B1: 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.

City Response to Comment B1: Comment noted.

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).)*

HCD Comment B2 - Employment:

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.

City Response to Comment B2 - Employment: As requested, the discussion of employment trends in the element (see pg. 30) was revised to identify the largest employers in the City and 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).)*

HCD Comment B3 – Housing Stock Condition:

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>.

City Response to Comment B3 – Housing Stock Condition: As requested, a windshield and pedestrian survey was conducted by City staff between October 2022 and April 2023 to determine the condition of all housing units in the City and identify the number of units in need of rehabilitation and replacement. The discussion of housing age and conditions in the element (see pg. 34) was revised to discuss the preliminary results of the survey. Implementation Program HI-9 has been revised to commit the City to completing the housing condition survey as an initial step to working with the County of Humboldt on directing available housing rehabilitation program funding to property owners in the City in targeted income groups.

HCD Comment B3 – Overpaying Households:

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.

City Response to Comment B3 – Overpaying Households: In review of the compliant Housing Element updates prepared for other smaller cities in Humboldt County as recommended by HCD staff (i.e., Rio Dell, Ferndale, and Trinidad), it was observed that none of them provided an analysis of the data regarding overpaying households to determine if programs are needed. Similar to Blue Lake, these jurisdictions quantified the number of overpaying households, but none of them proposed programs to specifically address overpayment. Please provide further guidance on why the discussion of overpaying households that was found to be in compliance for other local jurisdictions is not suitable for the City of Blue Lake’s Housing Element.

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).)*

HCD Comment B4 – Sites Inventory:

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.

City Response to Comment B4 – Sites Inventory: The discussion of available sites in the element (see pg. 44) was revised to make it clear that only the vacant sites identified as likely developable are considered in the determination on whether the City has adequate sites to meet its share of the regional housing need for the 5th and 6th planning cycle periods.

As requested, the discussion of available sites (see pg. 44) was revised to describe the factors that were considered when determining whether a site is likely developable, questionably developable, or likely not developable.

As requested, some of the assumptions for the sites identified as suitable for moderate and lower-income households were adjusted to ensure there are adequate sites identified for above-moderate income households.

HCD Comment B4 – Realistic Capacity:

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.

City Response to Comment B4 – Realistic Capacity: As requested, the Adequate Sites Inventory and Analysis section of the element was revised to add a discussion to provide support for the realistic capacity determinations for the available sites (see pgs. 45-46). This resulted in the reduction of some of the site capacity determinations in the element (see Table 21, pgs. 47-48). As requested, discussion was added explaining why it is anticipated that development proposed in mixed-use zones would include residential uses at the maximum density allowed by the zone (see pg. 45).

HCD Comment B4 – Zoning to Accommodate Lower-Income RHNA:

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.

City Response to Comment B4 – Zoning to Accommodate Lower-Income RHNA: APN 025-121-008 was designated as being suitable for lower-income housing because it is over 1-acre and would be a good candidate for application of the Residential High Density (RHD) combining zone. Implementation Program HI-14 (see pg. 15) proposes the adoption and application of the RHD combining zone to sites in the MU, O, and PDR zones, which would allow multi-family residential units by-right at a density of 16 units per acre. With the application of the RHD combining zone to APN 025-121-008, which has a base zoning of PDR, the site would be suitable for lower-income housing. However, since the RHD combining zone has not yet been adopted and applied to this site, the element was revised to designate this property as suitable for moderate-income housing (see Table 21, pg. 47).

HCD Comment B4 – Suitability of Nonvacant Sites:

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.

City Response to Comment B4 – Suitability of Nonvacant Sites: As noted in the above comment and as stated in the footnote for Table 23 – Comparison of Regional Growth Need and Residential Sites (see pg. 55), the City is not relying on the capacity on nonvacant sites

to meet the RHNA. As such, the element has not been revised to provide additional analysis to support a realistic capacity determination for the underutilized sites with residential development potential. However, additional discussion has been added to the Available Sites discussion in the element (see pg. 44) to clearly state that only the vacant sites identified as likely developable are considered when determining whether the City has adequate sites to meet its share of the regional housing need. A note was also added stating that the underutilized sites are identified in the element to provide a more comprehensive understanding of the sites in the City with residential development potential (see pg. 44).

HCD Comment B4 – Large Sites:

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).)

City Response to Comment B4 – Large Sites: As noted in the above comment and as stated in the footnote for Table 23 – Comparison of Regional Growth Need and Residential Sites (see pg. 55), the City is not relying on the capacity on APN 312-161-020 to meet the RHNA. As such, the element has not been revised to provide additional analysis to support a realistic capacity determination for APN 312-161-020. However, additional discussion has been added to the Available Sites discussion in the element (see pg. 44) to clearly state that only the vacant sites identified as likely developable are considered when determining whether the City has adequate sites to meet its share of the regional housing need. A note was also added stating that the underutilized sites are identified in the element to provide a more comprehensive understanding of the sites in the City with residential development potential (see pg. 44).

HCD Comment B4 – Accessory Dwelling Units (ADU):

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.

City Response to Comment B4 – Accessory Dwelling Units (ADU): Based on the above comment, the projection of ADUs that are anticipated to be developed throughout the remainder of the planning period was reduced to one low-income ADU, two moderate-income ADUs, and one low-income JADU (see Table 23 and pgs. 54-55). In total, this assumes the development of approximately one low-income ADU/JADU annually for the remainder of the planning period. Based on the significant increase in inquiries regarding the development of ADUs over the last several years, this is considered to be a reasonable projection. As is required through the Annual Progress Report process, the City will monitor ADU production and affordability.

As discussed in the revisions to the element (see pg. 54), the City believes that the increased interest in the development of ADUs is due to recent changes in State law that have incentivized the production of ADUs. Since the City's ADU regulations have been determined by HCD to be "null and void", the City currently defaults to State law for ADUs and is not considering any code amendments that would be less permissive than current State law. To ensure the City's ADU standards are compliant and remain compliant, the City has revised program HI-1 in the element to propose amending the Municipal Code to cite/reference State law for ADUs. To address the potential for the lack of ADU production during the planning period, Program HI-17 has been added to the element which commits the City to taking additional actions to incentivize ADU production (see pgs. 15-16).

HCD Comment B4 – Availability of Infrastructure:

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.

City Response to Comment B4 – Availability of Infrastructure: The discussion of water and sewer capacity in the element (see pgs. 55-57) has been revised to explain that the City proposes to implement its Capital Improvement Plan and complete the necessary wastewater treatment plant improvements during the planning period. To address the potential for insufficient wastewater treatment capacity during a portion of the planning period, Program HI-18 has been added to the element which commits the City to constructing the wastewater treatment plant improvements within two years of adoption of the Housing Element (see pg. 16).

As requested, a clarifying statement was added to the discussion of water and sewer capacity in the element (see pg. 57) explaining that the City has sufficient water supply to serve the sites identified in the sites inventory of the element.

HCD Comment B4 – Environmental Constraints:

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.

City Response to Comment B4 – Environmental Constraints: The discussion of constraints related to flooding, wetlands, and creeks has been revised to clarify that the sites identified as vacant and likely developable in the element are not significantly impacted by these environmental constraints and the realistic capacity determinations have been adjusted accordingly (see pgs. 58-59). APNs 025-101-007, 025-101-013, and 025-111-007 are underutilized sites that are not considered in determining whether the City has adequate sites to meet its share of the regional housing need. As noted in the response to previous comments, additional discussion has been added to the Available Sites discussion in the element (see pg. 44) to clearly state that only the vacant sites identified as likely developable are considered when determining whether the City has adequate sites to meet the RHNA. A note was also added stating that the underutilized sites are identified in the element to provide a more comprehensive understanding of the sites in the City with residential development potential (see pg. 44).

HCD Comment B4 – Sites with Zoning for a Variety of Housing Types:

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).

City Response to Comment B4 – Sites with Zoning for a Variety of Housing Types:

The section regarding Provisions for a Variety of Housing in the element has been revised to include a description of each of the housing types (see pgs. 80-86). The revisions address whether the City’s current definitions and requirements for the various housing types are in compliance with State law or are potential constraints to the development of housing. Where appropriate, programs are proposed committing the City to amending the Zoning Code to address non-compliance or remove potential constraints (see pgs. 80-86). The analysis of how development standards and processing requirements facilitate the development of housing is located in the Governmental Constraints section of the element (see pgs. 77-94).

In order to ensure the element can be found in full compliance with State housing law, the City amended the Opportunity (O) zoning district to allow emergency shelters by-right (without discretionary review). The amendment includes objective standards for emergency shelters as allowed by Government Code Section 65583(a)(4)(A). The objective standards include:

- The shelters shall have onsite management and security shall be provided during hours when the shelter is open.
- Each shelter shall be limited to a maximum of 15 beds.
- There shall be a separation of 300 feet between emergency shelters.

The time frame for Program HI-1 has been revised to state that the City will adopt the amendment allowing emergency shelters in the O zone prior to adoption of the element by the City Council (see pg. 10). The discussion of emergency shelters in the element (see pg. 84) has also been revised to note the revised time frame in program HI-1. This amendment was adopted by the City Council in December 2022 and took effect in January 2023 (see Municipal Code Section 17.16.111(B)(8)).

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).)*

HCD Comment B5 – Land Use Controls:

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, mobile homes, 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.

City Response to Comment B5 – Land Use Controls: The section regarding Provisions for a Variety of Housing in the element has been revised to address whether the City’s current requirements for the various housing types are in compliance with State law or are potential constraints to the development of housing. Where appropriate, programs are proposed committing the City to amending its Zoning Code to address non-compliance or remove potential constraints (see pgs. 82-89). Specifically, the discussion of the 40 percent ground coverage requirement in the PDR zone and the discussion of the height limits in the R-2, MU, and PD-R zones can be found on pg. 84.

In review of the certified Housing Element Updates for other smaller cities in Humboldt County as recommended by HCD staff (i.e., Rio Dell, Ferndale, and Trinidad), the City was unable to locate an analysis that specifically evaluated the cumulative impacts of land use controls on the supply and cost of housing. As noted above, revisions have been made to the section regarding the Provisions for a Variety of Housing in the element to discuss land use controls that are a potential constraint to housing development. Several of these standards identified as a constraint may inhibit the ability to achieve the maximum densities allowed in the zones (see pgs. 82-89). In addition, revisions have been made to the section regarding the Zoning Standards in the element to discuss the various options for modifying the City’s development standards including the application of combining zones, requesting an exception through the use permit process, requesting a variance, and the use of incentives/concessions as allowed under the State density bonus law (see pg. 81). Revised language was also included acknowledging that the City’s current development standards have the potential to result in a decreased supply of housing and an increased cost per residential unit (see pg. 81). Where appropriate, programs have been included to remove potential constraints to the development of housing, which are intended to result in an increased supply and reduced cost for housing in the City (see Programs HI-1, HI-19, and HI-21 and pgs. 10-11 and 16-17).

HCD Comment B5 – Fees and Exaction:

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>.

City Response to Comment B5 – Fees and Exaction: The section regarding Permit Processing Fees in the element was revised to add Table 29 (see pgs. 93-94), which provides a list of all planning permit fees for single-family and multi-family housing development. The section regarding Development Fees in the element was revised to add a discussion of existing and proposed development impact fees (see pg. 94).

HCD Comment B5 – Zoning and Fees Transparency:

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).

City Response to Comment B5 – Zoning and Fees Transparency: The Blue Lake Municipal Code is currently accessible from the City’s website at the following web address: <https://bluelake.ca.gov/city-council/ordinances-municipal-code/>. Items that are not currently available on the City’s website include: 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. The documents not currently available on the City’s website are available at City Hall from 9:00 a.m. to Noon and 1:00 p.m. to 4:00 p.m.

To comply with Government Code Section 65940.1(a)(1), Program HI-20 has been included in the element which commits the City to uploading all of the documents identified above to the City’s website, so they are readily accessible for public review (see pg. 17). In addition, a discussion of compliance with Government Code Section 65940.1(a)(1) has been added to the beginning of the Governmental Constraints section of the element (see pg. 79).

HCD Comment B5 – Design Guidelines:

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.

City Response to Comment B5 – Design Guidelines: Revisions have been made to the element to provide additional information about the applicability of the design guidelines. As noted in the revisions, the guidelines have not technically been adopted as part of the Municipal Code and, therefore, are only recommendations and not enforceable standards for development in the City (see pgs. 92-93). Additionally, it is explained that the guidelines are only applicable to three sites (APNs 025-071-012, 025-076-006, and 025-141-007) that are categorized as vacant and likely developable in the sites inventory of this element. As indicated in Table 21 of the element, these sites have an estimated realistic unit potential of eight units that are identified as being suitable for the above moderate-income category (see pg. 48). Due to the limited applicability of the City’s design guidelines to the sites identified as being suitable for meeting the City’s RHNA, the guidelines are not considered to be a significant constraint on new housing development in Blue Lake. To minimize confusion regarding the applicability of the City’s design guidelines, program HI-22 has been included

in the element which commits the City to revising references to the guidelines in the Zoning Code to make it clear that they are recommendations and not enforceable standards (see pg. 17).

Revisions were also made to the element to describe the City's design review type process known as Site Plan Approval. In the revised discussion, the "Principles to Be Followed" for Planning Commission review of a Site Plan Approval application are listed and identified as a constraint because they contain subjective review criteria (see pgs. 91-92). To address the inconsistency of the "Principles to Be Followed" with State housing law (Government Code Section 65589.5, subdivision (f)), program HI-21 has been included in the revised element which commits the City to replacing the subject review criteria for the Site Plan Approval process (Zoning Code Section 17.24.250(F)) with objective standards (see pg. 17).

HCD Comment B5 – Local Processing and Permit Procedures:

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 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 multi-family 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 impacts on development approval, certainty, timing, and cost. The element must demonstrate this process is not a constraint or 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.

City Response to Comment B5 – Local Processing and Permit Procedures: Revisions have been made to the section of the element regarding Provisions for a Variety of Housing (see pgs. 82-89) to describe and analyze the permit processing and approval procedures by housing type. Table 26 in the element (Housing Type Permitted by Zoning District) already identifies the permitting requirements for the housing types currently defined in the City's Zoning Code (see pgs. 82-83). Revisions have been made to the section of the element addressing Local Processing Permit Procedures (see pgs. 89-97) to further describe the processing and approval procedures for typical single-family and multi-family development (i.e., Conditional Use Permit and Site Plan Approval). The revised discussion of the CUP process on pgs. 90-91 lists the findings for granting a CUP and identifies the process as a potential constraint to the development of multi-family housing. To address the potential constraint for multi-family development caused by the CUP process, the discussion on pgs. 90-91 refers to program HI-14 which commits the City to adopting and applying apply a Residential High Density (RHD) Combining Zone to sites greater than 1 acre in the R-3, MU, O, or PDR zones to allow multi-family residential uses by-right (see pg. 15). To

broaden the applicability of program HI-14, the requirement regarding by-right approval only applying when at least 20 percent of the development is affordable to lower-income households is proposed to be removed. It should be noted that the City did not originally propose this language in the RHD combining zone. Review of the draft combining zone by an HCD staff member resulted in this language being incorporated.

HCD Comment B5 – On/Off-Site Improvements:

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-improvementstandards>.

City Response to Comment B5 – On/Off-Site Improvements: The discussion of subdivision improvements in the element (pgs. 95-97) was revised to explain that the City’s improvement requirements are relatively rudimentary and are comparable to the requirements of other local jurisdictions. Since these improvements are typically required by most jurisdictions for subdivisions and are necessary for public health and safety purposes, these requirements should not be considered a constraint on new housing development.

HCD Comment B5 – Codes and Enforcement:

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).

City Response to Comment B5 – Codes and Enforcement: The discussion of Building and Code Enforcement in the element (see pgs. 94-95) was revised to note that the City does not have a code enforcement department and code enforcement is conducted on a complaint basis by the Building Official and City Planner pursuant to Municipal Code Chapter 8.04 (Nuisance Abatement).

HCD Comment B5 – Constraints on Housing for Persons with Disabilities:

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 nonlicensed 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.

City Response to Comment B5 – Constraints on Housing for Persons with Disabilities: The discussion of Housing for Persons with Disabilities in the element (see pgs. 87-88) was

revised to further address potential constraints related to housing for persons with disabilities. The discussion was also revised to address how the City currently permits group home facilities and refers to the proposed Zoning Code amendments in program HI-1 of the element including: 1) revise the City’s definition of family to a barrier-free definition (c.g., “One or more persons living together in a dwelling unit”); 2) amend the Zoning Code to 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 3) amend the Zoning Code to allow larger group homes of seven or more persons in the R-3, MU, O, and PD-R zoning districts with a conditional use permit and subject only to the same restrictions in that zone applicable to other residential uses (see pgs. 10-11). With the proposed amendments, the City’s Zoning Code would not be a constraint to the development, maintenance, improvement, or alteration of housing for disabled persons.

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).)*

HCD Comment B6 – Availability of Financing:

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.

City Response to Comment B6 – Availability of Financing: The discussion of the Availability of Financing in the element (see pgs. 98-99) was revised to further address the availability of financing or other funding programs in the City. As explained in the revised discussion, financing is generally available in Humboldt County, but the City of Blue Lake does not have or administer funding or financing programs for housing. Although government assistance programs are available in Humboldt County, this funding is typically directed to the larger cities in the County (e.g., Arcata and Eureka) where there is the greatest need.

HCD Comment B6 – Developed Densities and Permit Times:

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.

City Response to Comment B6 – Developed Densities and Permit Times: The discussion of the Realistic Capacity Determination in the element (see pgs. 45-46) was revised to include an analysis of requests to develop housing at densities below those projected in the element. To ensure housing development in the City is occurring at the projected densities consistent with the income categories anticipated, program HI-23 has been included in the element which commits the City to annually review building development. As stated in HI-23 (see pgs. 17-18), if the annual review shows that sites are not providing sufficient opportunities for affordable housing, the City will review its Zoning Code to consider other measures that would increase proposed densities and/or incentivize housing production.

The discussion of the Local Processing and Permit Procedures in the element was revised to include an analysis of the potential for delays in the submittal of building permit applications after planning approval is received for housing projects (see pg. 90). As noted in the discussion, the City's processing and permit procedures are not a constraint for experienced applicants and developers. However, there are sometimes delays in the submittal of building permit applications for several reasons that have to do with the ability of the applicant and their consultants to comply with regulatory requirements and prepare complete building plans, as well as the limited availability of City staff to navigate applicants and their consultants through the permitting process. Because of the primary reasons for these delays, this is not a governmental constraint over which the City has control. To assist applicants with their submittals, the City Building Official and City Planner hold office hours where applicants may schedule appointments (at no cost) to ask questions and receive guidance. Although there are limited appointments available (weekly for Building Official and bi-weekly for City Planner), many applicants have found this service to be helpful in assisting them through the process.

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).)*

HCD Comment B7:

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.

City Response to Comment B7: As requested, the discussion of special needs groups in the element (see pgs. 36-42) was revised to include discussion of their housing needs and available resources to assist each group.

Additionally, the element currently states the percentage of farmworkers in Humboldt County that work fewer than 150 days per year (i.e., seasonal). As requested, the element was revised (see pg. 40) to include the percentage of farmworkers that work more than 150 days per year (i.e., permanent).

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).)*

HCD Comment C1:

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.

City Response to Comment C1: Below is a response to the requested changes to the implementation programs in the element. Where applicable, the responses include a summary of the revisions made to the implementation programs.

Program HI-3: The time frame for this program was revised to state that the programs will be publicized quarterly, at a minimum (see pg. 11).

Program HI-5: This program was revised to state that the incentives are proposed (see pg. 12). It is important to note that the language in the time frame identified in this program is the exact language used in other Housing Elements prepared for Humboldt County jurisdictions. These other Housing Elements have been determined by HCD to be in substantial compliance with State housing law. For example, this is the same language used in Program A-5 of the Housing Element for the City of Rio Dell. In an 8/31/2022 email,

HCD staff suggested that the City of Blue Lake refer to compliant Housing Elements in Humboldt County for guidance. Please provide further guidance on why this language that was found to be in compliance for other local jurisdictions is not suitable for the City of Blue Lake's Housing Element.

Program HI-6: This program is related to weatherization and energy efficiency improvements. It is not intended to generally address improving and conserving the existing housing stock in the City. Program HI-9 is generally related to improving and conserving the housing stock because it commits the City to conducting a housing conditions survey and coordinating with the County on funding for housing rehabilitation. The City currently and will continue to disseminate informational materials about weatherization and energy efficiency programs. Because the City is not in control of when these materials are made available, it would not be appropriate to provide a definitive time frame for providing this information to residents. For this reason, the time frame noted in the program has been revised to state, "Ongoing; as projects are processed, and program informational materials are made available" (see pg. 12).

Program HI-7: The time frame for implementing this program has been updated to December 2024 (see pg. 12). However, upon review of the HCD Guidelines for Government Code Section 65913.4 (<https://www.hcd.ca.gov/policy-research/docs/sb-35-guidelines-update-final.pdf>), it was observed that the City of Blue Lake may not meet the site requirements specified in the Guidelines. As indicated in Section 401 – Site Requirements, a proposed development must be located on a site that is located in a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United State Census Bureau. According to the OPR Site Check website (<https://sitecheck.opr.ca.gov>), no portion of the City of Blue Lake is designated as an urbanized area or urban cluster under the Census. For this reason, this program has been revised to state that, if applicable, the City will establish a written policy or procedure to specify the SB 35 streamlining approval process (see pg. 12).

Program HI-9: This program has been revised to remove the term "consider" and state that the City will "conduct" a housing condition survey as an initial step for determining the housing rehabilitation needs in city limits. Additionally, the program has been revised to state that the City will coordinate with the County of Humboldt on directing available funding to property owners in targeted income groups. As noted in the revised program, because the City does not have the resources to administer a housing rehabilitation program, the County of Humboldt is currently the agency that is assisting residents in city limits with obtaining housing rehabilitation funding (see pg. 13).

Program HI-10: The time frame for this program has been revised to state that the plan will be created within three years of adoption of the Housing Element (see pg. 14). It is important to note that the language regarding implementation in the time frame identified in this program is the exact language used in other Housing Elements prepared for Humboldt County jurisdictions. These other Housing Elements have been determined by HCD to be in substantial compliance with State housing law. For example, this is the same language used

in Program C-1 of the Housing Element for the City of Rio Dell. In an 8/31/2022 email, HCD staff suggested that the City of Blue Lake refer to compliant Housing Elements in Humboldt County for guidance. Please provide further guidance on why this language that was found to be in compliance for other local jurisdictions is not suitable for the City of Blue Lake's Housing Element.

Program HI-12: The time frame for this program has been revised to state that once the outreach program is developed, outreach is proposed to occur on a quarterly basis (see pg. 14).

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).)*

HCD Comment C2:

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.

City Response to C2: This comment has been adequately addressed in the responses to the comments in Finding B4 including the following:

- City Response to Comment B4 – Sites Inventory
- City Response to Comment B4 – Realistic Capacity
- City Response to Comment B4 – Zoning to Accommodate Lower-Income RHNA
- City Response to Comment B4 – Suitability of Nonvacant Sites
- City Response to Comment B4 – Large Sites
- City Response to Comment B4 – Accessory Dwelling Units (ADU)
- City Response to Comment B4 – Availability of Infrastructure
- City Response to Comment B4 – Environmental Constraints
- City Response to Comment B4 – Sites with Zoning for a Variety of Housing Types

As noted under the responses to the comments in Finding B4, revisions have been made to the sites inventory in the element to ensure there are adequate sites for the number of units allocated to each income category. Also, additional analysis was added to provide adequate justification for the assignment of income categories to the sites in the inventory. Based on the results of the revised sites inventory and analysis, several programs were added to address the following:

- Committing the City to taking additional action if there is a lack of ADU production during the planning period (Program HI-17, see pg. 15).
- Committing the City to constructing the needed improvements to the wastewater treatment plant within two years of adoption of the Housing Element (Program HI-18, see pgs. 15-16).
- Committing the City to amending the Opportunity (O) zone to allow emergency shelters prior to adoption of the Housing Element (Program HI-1, see pgs. 10-11).

As described above and in the responses to the comments in Finding B4, the revised sites inventory in the element identifies that there are adequate sites to accommodate the City's share of the regional housing need. Therefore, a program related to identifying additional sites is not necessary for the current planning period.

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).)*

HCD Comment C3:

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.

City Response to Comment C3: This program has been revised to state that the City is the water and sewer provider and that the City will set up a process to grant priority for water and sewer service allocations to proposed developments that include units affordable to lower-income households (see pg. 15).

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).)*

HCD Comment C4:

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.

City Response to Comment C4:

Below is a response to the requested changes to the implementation programs in the element. Where applicable, the responses include a summary of the revisions made to the implementation programs.

Program HI-1: As requested, revisions have been made to Program HI-1 including the following (see pgs. 10-11):

- ADUs: The program regarding ADUs has been revised to state that the City will amend its Municipal Code to cite/reference State law for ADUs. It has also been revised to state that the proposed amendment will be provided to HCD for review and recommendation if any changes are required to achieve compliance.
- Manufactured Homes: The program regarding manufactured homes has been revised to clarify that manufactured homes on a permanent foundation would be allowed as single-family use.
- Transitional and Supportive Housing: The program regarding transitional and supportive housing was revised to state that this housing type shall be permitted in all zones allowing residential uses subject to only the same restrictions on residential uses contained in the same type of structure.
- Emergency Shelters: The program regarding emergency shelters was revised to state that this housing type will be allowed by-right (without discretionary review) in the Opportunity (O) zoning district. This zone was determined to have sufficient capacity for emergency shelters because it contains several acres of vacant land that has limited environmental constraints, good vehicular access, and can be served by all utilities and services. This amendment was adopted by the City Council in December 2022 and took effect in January 2023 (see Municipal Code Section 17.16.111(B)(8)).
- Group Homes: Additional analysis has been included in the revised element discussing whether the City's land use, zoning code, and building code provisions are a constraint to the development of housing for persons with disabilities (see pgs. 87-88). Based on this analysis, several programs are proposed in the revised element addressing the following: 1) amendment of the City's definition of family to a barrier-free definition (e.g., "One or more persons living together in a dwelling unit"); 2) amendment of the Zoning Code to allow for residential care homes with six or fewer persons by-right in all residential zones subject to only the same restrictions applicable to other residential uses in that zone; 3) amendment of the Zoning Code to allow larger group homes of seven or more persons in the R-3, MU, O, and PDR zoning districts with a conditional use permit and subject to only the same restrictions applicable to other residential uses in that zone; and 4) development of a reasonable accommodation procedure (Program HI-1, see pgs. 10-11).

Program HI-14: As discussed in prior responses, several new programs are proposed in the revised element to amend the City's development standards to remove barriers to the development of multi-family housing. This includes the amendment of development standards for building height, ground coverage, and setbacks (Program HI-19, see pg. 16) and the replacement of 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 (Program HI-21, see pg. 17). As requested, the implementation date for these amendments has been revised to December 2024. Due to the vagueness of the language regarding “reviewing development standards” relative to the new programs that are proposed in the revised element, this language has been removed from Program HI-14 (see pg. 15).

As discussed in the revised element, the City’s application fees and development impact fees are not identified as constraints to the development of housing (see pgs. 93-94). As discussed in prior responses, several programs are proposed to develop additional incentives if housing production is lagging during the planning period (Programs HI-5, HI-17, and HI-23, see pgs. 12, 15-16, and 17-18). As discussed in prior responses, the revised element contains new analysis that identifies some of the City’s permitting processes as a constraint. To address this issue, several programs are proposed to amend the Zoning Code to ensure that the City’s permitting processes are not a constraint to housing development (Programs HI-1, HI-5, HI-14, and HI-21, see pgs. 10-12, 15, and 17).

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).)*

HCD Comment C5:

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.

City Response to Comment C5: The revised element contains several programs that address conserving and improving the existing housing stock. These include the following:

- Program HI-6: This program commits the City to publicizing and/or providing information to homeowners about energy conservation and weatherization programs such as those administered through the Redwood Coast Energy Authority, PG&E, and Energy Upgrade California (see pg. 12).
- Program HI-9: This program commits the City to conducting a housing conditions survey and coordinating with the County of Humboldt on directing housing rehabilitation funding to targeted income groups in the City (see pg. 13).

The discussion of Building and Code Enforcement in the element (see pgs. 94-95) was revised to note that the City does not have a code enforcement department and code enforcement is conducted on a complaint basis by the Building Official and City Planner pursuant to Municipal Code Chapter 8.04 (Nuisance Abatement).

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).)*

HCD Comment C6:

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.

City Response to Comment C6: As discussed in the revisions to the element (see pg. 54) and the response to Comment B4 – Accessory Dwelling Units (ADU), the City believes that the recent increased interest in the development of ADUs is due to recent changes in State law that have incentivized the production of ADUs. Since the City’s ADU regulations have been determined by HCD to be “null and void”, the City currently defaults to State law for ADUs and is not considering any code amendments that would be less permissive than current State law. To ensure the City’s ADU standards are compliant and remain compliant, the City has revised program HI-1 in the element to propose amending the Municipal Code to cite/reference State law for ADUs (see pg. 10). To address the potential for the lack of ADU production during the planning period, program HI-17 has been added to the element which commits the City to taking additional actions to incentivize ADU production (see pgs. 15-16). Based on the revised estimate of ADU production in the revised element (three ADUs and one JADU, see pgs. 54-55), the programs proposed in the revised element are considered sufficient to facilitate the projected ADU production during the planning period.

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).)

HCD Comment D:

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>.

City Response to Comment D: As discussed on pg. 4 of the element, the draft Housing Element was available for review at several locations that would provide ample opportunity for all economic segments of the population to have access to the document in a rural City (i.e., city website, city hall, elementary school, community resource center, and library).

As described on pgs. 4-6 of the element, the majority of public participation in the update process occurred during Planning Commission and City Council meetings and during the 30-day public comment period. During this process, all economic segments of the community had the opportunity to comment on the element. Generally, persons from lower-income households expressed support for the development of more housing and services in the City, especially various types of affordable housing and additional employment opportunities. Persons from moderate and above-moderate income households tended to express concern about impacts from growth in the community. Although available upon request, the City has not received any requests for translation services during the update process.

As discussed on pgs. 3 of the revised element, the City conducted an interview with the Coordinator of the Blue Lake Community Resource Center (Molly Homen) to discuss the Housing Element Update and the needs of low-income and special needs populations in the community. This organization, which is the primary entity that provides social services in the City, is a partnership between St. Joseph Health System, Blue Lake Family Resource Center, and First Five Humboldt. The results of the interview with the Community Resource Center staff provided one of the best summaries of the needs of the low-income and special needs populations in the City that could be obtained for the element update process. The element has been revised to include a summary of the main takeaways from the interview with the Resource Center (see pgs. 3-4).

As requested, the discussion of public comments received during the 30-day public comment period for the Draft Housing Element Update was revised to include a summary of the revisions made to the document based on the comments received (see pg. 6).

The public outreach efforts that have occurred during the Housing Element update process represent appropriate diligent efforts for a rural City such as Blue Lake. Although the City could continue pursuing additional opportunities for public outreach, these efforts would not produce additional information that would result in significant changes to the data, analysis, or programs in the draft element.

If you have any questions, don't hesitate to contact City Planner Garry Rees (707-822-5785).

Sincerely,

CITY OF BLUE LAKE

A handwritten signature in black ink, appearing to read "Amanda Mager", with a long horizontal flourish extending to the right.

Amanda Mager
City Manager

cc: City Planner, Garry Rees
City Attorney, Ryan Plotz



CITY OF BLUE LAKE

Post Office Box 458,
Phone 707.668.5655

111 Greenwood Road,

Blue Lake, CA 95525
Fax 707.668.5916

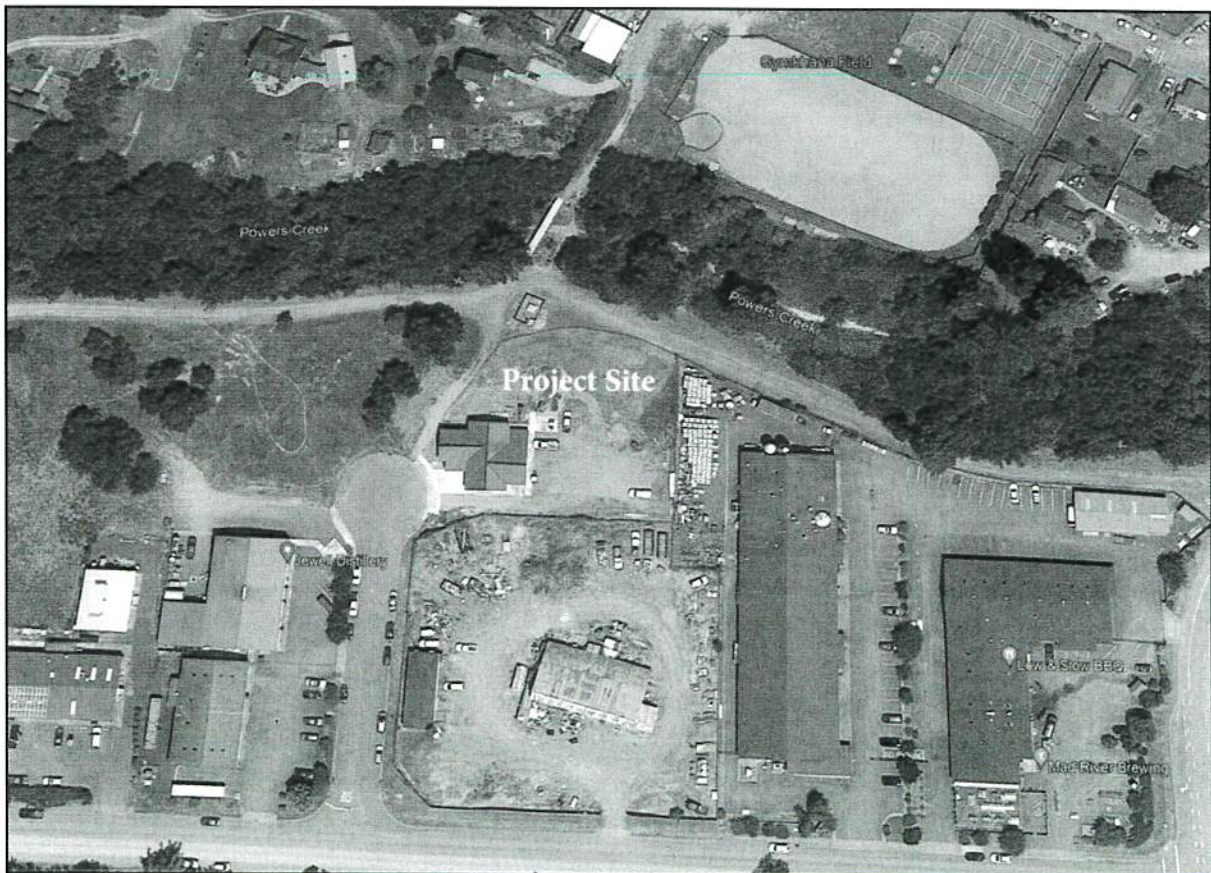
DATE: May 12, 2023

FROM: Garry Rees, City Planner

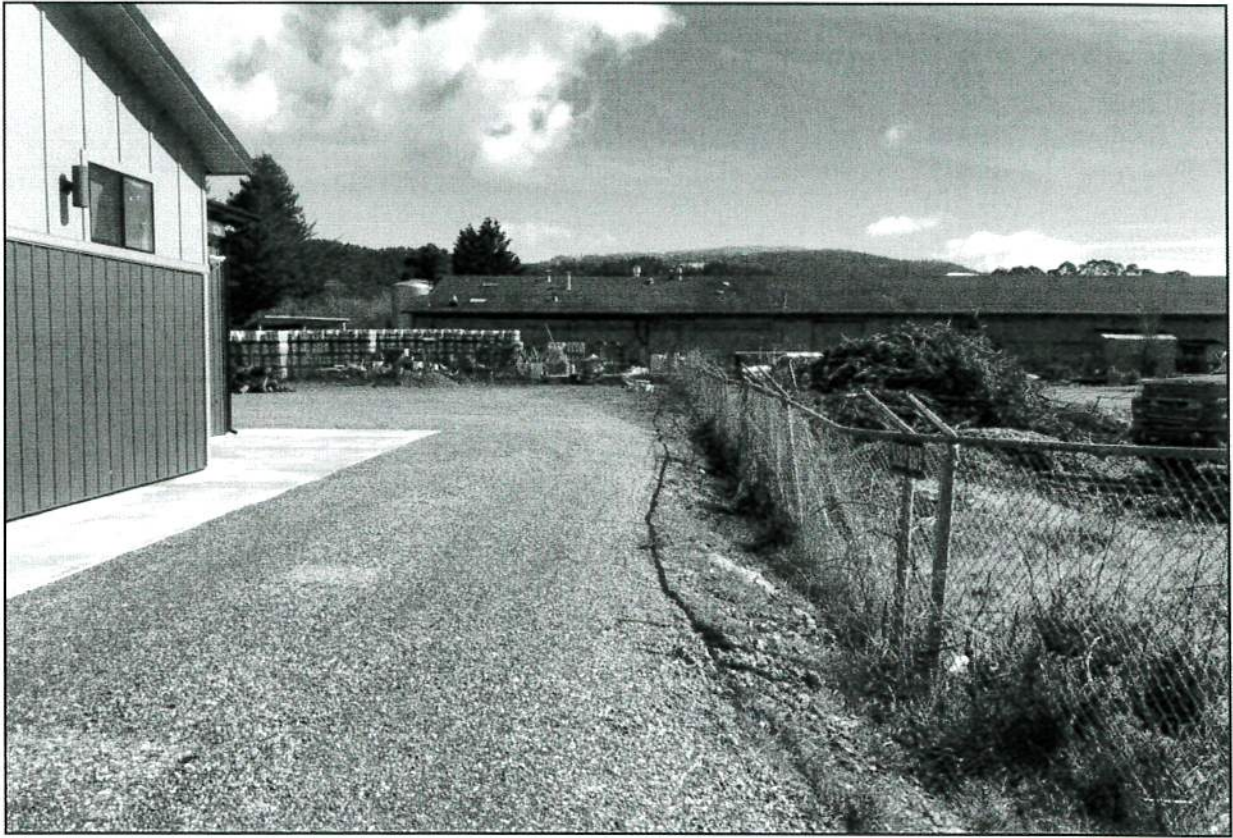
TO: Blue Lake Planning Commission

RE: Application #025-201-018/2023 - Conditional Use Permit and Site Plan Approval for Rousseau Investments, LLC Mixed-Use Development

Ryan and Alicia Rousseau (Rousseau Investments, LLC) submitted an application on February 9, 2023 for a Conditional Use Permit and Site Plan Approval for a mixed-use development on APN 025-201-018 in the Powers Creek District. The project site is located off the Monda Way cul-de-sac and has an existing 3,072 s.f. structure that underwent a renovation and addition in the last few years (see aerial and street view photos below).



Aerial Photo of Project Site (APN 025-121-018)



Street View Photo of Project Site Access Road

The project proposes development of a 3-story building on the eastern edge of the property that would contain a mixture of commercial and residential uses. The ground level would be approximately 4,092 s.f. and would include 2,835 s.f. of commercial space and a one (1) bedroom accessible unit. The upper floors would each include 4 one (1) bedroom units. The project also proposes related site improvements including improvement of the access driveway from Monda Way, 16 vehicle parking spaces, 3 bicycle parking spaces, utility extensions, outdoor lighting, stormwater LID features, walkways, open space, landscaping, and signage. The improvements to the access driveway are proposed to include expansion of the driveway onto the City property to the south (APN 025-201-019) to improve access and provide a 25-foot driveway width. As allowed by Municipal Code Sections 17.16.111(C)(3) and 17.24.100(B)(4) with a conditional use permit, the project will be requesting exceptions to development standards in the Zoning Code that may include building height, setbacks, and off-street parking.

Based on review of the application materials, special studies prepared for properties in the Powers Creek District, and site conditions, staff intends to recommend that the project be found exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines exempting projects characterized as infill development when certain criteria are met pursuant to §15332 (Class 32), among other potential applicable exemptions. The detailed basis for any such exemption(s) will be provided in the staff report when this project is brought back to the Planning Commission for approval at a future meeting.

Referral comments for this project were sent on April 4, 2023 to the various city departments, the Volunteer Fire District, Wiyot Tribe, Blue Lake Rancheria, and Bear River Band of Rohnerville Rancheria. The comments received have been provided to the applicant and they are currently

working on revisions to the project plans to address the comments. Where appropriate, some of the comments will be recommended as conditions of approval for the project.

This item has been included on the agenda to allow staff and the applicant to present the project concept to the Planning Commission and receive public comments during a public hearing. The project will be scheduled for action by the Planning Commission at the regularly scheduled meeting on June 19, 2023.

RECOMMENDATION:

Staff recommends that the Planning Commission:

- 1) Receive a staff report about the proposed mixed-use development.
- 2) Open the public hearing and take public testimony.
- 3) Close the public hearing.
- 4) Discuss the proposed project and ask questions of city staff and the applicant.
- 5) Continue the public hearing to the June 19, 2023 regularly scheduled meeting.



CITY OF BLUE LAKE

Post Office Box 458,
Phone 707.668.5655

111 Greenwood Road,

Blue Lake, CA 95525
Fax 707.668.5916

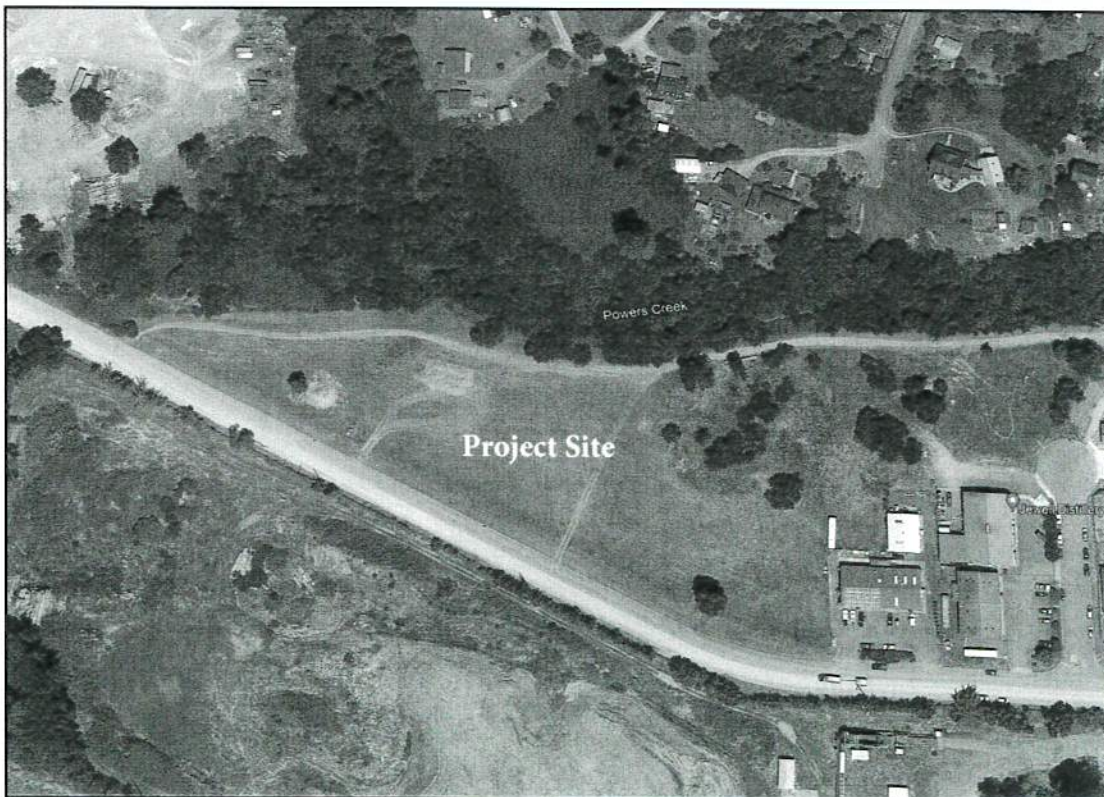
DATE: May 12, 2023

FROM: Garry Rees, City Planner

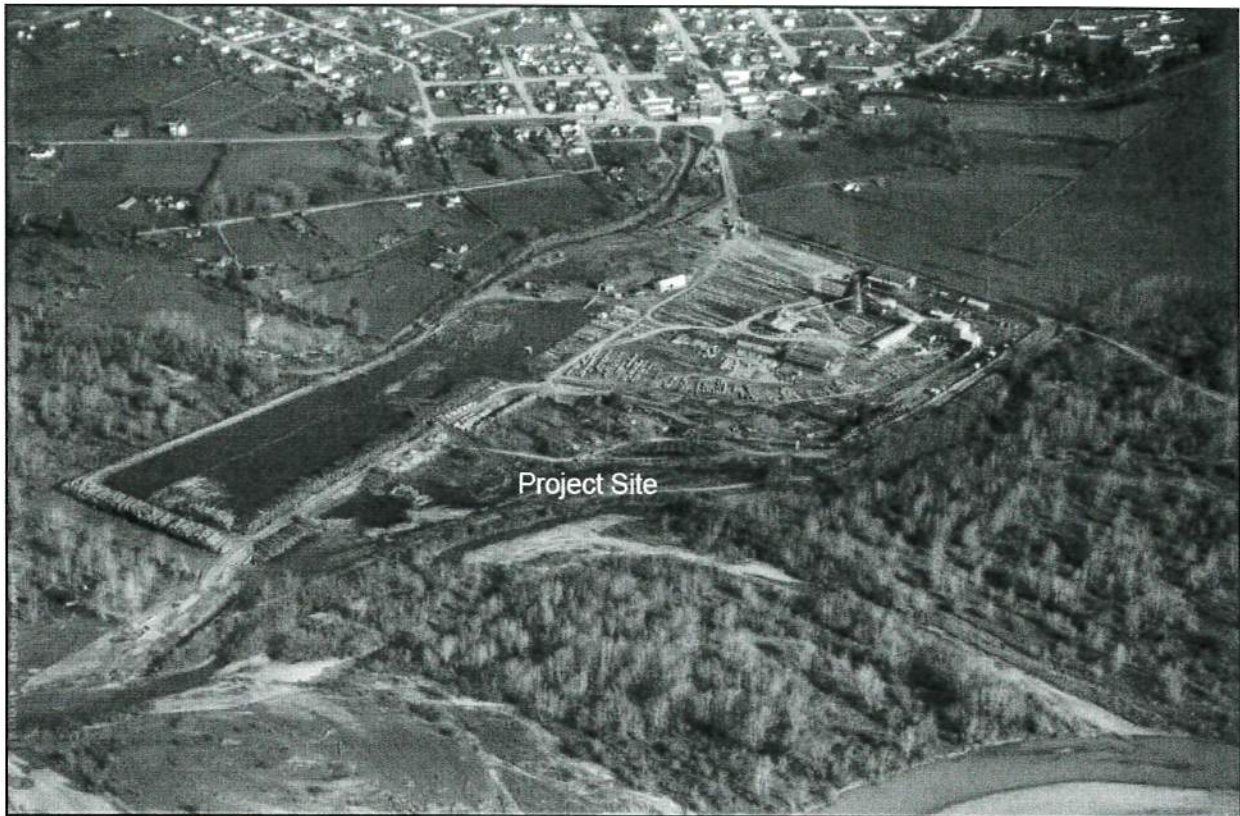
TO: Blue Lake Planning Commission

RE: Application #312-161-015, -018/2023 - Conditional Use Permit and Site Plan Approval for the Baduwa't Community Mixed-Use Development Project

Danco Communities submitted an application on April 3, 2023 for a Conditional Use Permit and Site Plan Approval for a mixed-use development on APNs 312-161-015 and -018 in the Powers Creek District. The project site is located north of Taylor Way and is currently vacant (see aerial photo and historic photo below). As indicated in the historic aerial photo on the next page, the site was previously used as a log pond for the McIntosh Lumber Mill. The lumber mill (including the pond) was constructed between 1941 and 1954 and the pond was backfilled in the 1970s. The site has been vacant since as least the early 1980s.



Aerial Photo of Project Site (APN 025-121-018)



Street View Photo of Project Site Access Road

The project proposes development of a mixed-use project in the Powers Creek District that will include the construction of two buildings that will contain 40 residential units, 18,500 square feet of commercial space, and common use areas. The two buildings will include the following: A) a 3-story building that will contain a mixture of residential and commercial uses with 36 affordable residential units on the upper floors and commercial space on the ground level and 3rd floor (roof top restaurant space); and B) a 2-story mixed-use building with a mixture of residential and commercial uses including 3 live-work units and a manager's unit. The preliminary site plan for the project is provided as **Attachment 1** to this staff report. The project also proposes related site improvements including access driveways, 80 vehicle parking spaces, 48 bicycle parking spaces, utility extensions, outdoor lighting, electric vehicle charging stations, stormwater LID features, walkways, recreation improvements, traffic calming improvements, open space, landscaping, and signage. The City will also be requiring offsite improvements and/or development impact fees for the following: 1) improvement of the creek trail; 2) pedestrian improvements at the intersection of Taylor Way/Hatchery Road; and 3) wastewater treatment system improvements. As allowed under State Density Bonus Law (Govt Code §65915), the project will be requesting concessions for development standards in the Zoning Code that may include building height, setbacks, and off-street parking.

Based on review of the application materials, special studies prepared for the project (i.e., Biological Resources Assessment, CalEEMod Emissions Modeling, Cultural Resources Investigation, Geotechnical Investigation and Geologic Hazards Evaluation, Soil and Groundwater Management Plan, and Traffic Impact Study), and site conditions, staff intends to recommend that the project be found exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines exempting projects characterized as infill development when certain criteria are met pursuant to §15332 (Class 32), among other potential applicable exemptions. The detailed basis for

any such exemption(s) will be provided in the staff report when this project is brought back to the Planning Commission for approval at a future meeting.

Referral comments for this project were sent on April 6, 2023 to the various city departments, the Volunteer Fire District, Wiyot Tribe, Blue Lake Rancheria, and Bear River Band of Rohnerville Rancheria. The comments received have been provided to the applicant and they are currently working on revisions to the project plans to address the comments. Where appropriate, some of the comments will be recommended as conditions of approval for the project.

This item has been included on the agenda to allow staff and the applicant to present the project concept to the Planning Commission and receive public comments during a public hearing. The project will be scheduled for action by the Planning Commission at the regularly scheduled meeting on June 19, 2023.

RECOMMENDATION:

Staff recommends that the Planning Commission:

- 1) Receive a staff report about the proposed mixed-use development and a presentation from the applicant.
- 2) Open the public hearing and take public testimony.
- 3) Close the public hearing.
- 4) Discuss the proposed project and ask questions of city staff and the applicant.
- 5) Continue the public hearing to the June 19, 2023 regularly scheduled meeting.

Attachment 1

Proposed Site Plan for Baduwa't Community Project

VICINITY MAP



PROJECT DESCRIPTION

TO DEVELOP A TOTAL OF 26 PERMANENT RESIDENTIAL UNITS, 3 COMMERCIAL RETAIL UNITS AND 3 WORK UNITS, INCLUDING STRUTS WITH A TOTAL OF 12 UNITS ON THE UPPER FLOOR LEVELS. STRUCTURE WITH 12 UNITS TO ACCOMMODATE WORK UNITS.

THE 40 RESIDENTIAL UNITS ARE MADE UP OF:

- 10 ONE-BEDROOM APARTMENTS (2 UNITS)
- 3 THREE-BEDROOM APARTMENTS (1 UNIT)
- 1 THREE-BEDROOM MANAGER'S SUITE

THE 3,374 WORK UNITS ARE MADE UP OF 2 UNITS, 4' X 8'0" X 7'0" AND ONE UNIT AT 10'0" X 9'0"

THE COMMERCIAL RETAIL UNITS TOTAL 13,500 SF. MOSTLY LOCATED ON THE WEST SIDE OF THE LOT, ADJACENT TO THE EXISTING RELATED MARKETING, PATIO AND PARKING SPACES. UNITS AND UNITS ARE LISTED IN THE LEGAL, ZONING SECTION AND THE SITE PLAN.

ALL SITES, STAIRS, ELEVATORS, ETC. SHALL BE IN ACCORDANCE WITH COUNTY IMPACT DEVELOPMENT STANDARDS AND REQUIREMENTS.

LEGAL / ZONING

APPLICANT: DANIEL COMMUNITIES, INC. 1077 S.W. 15TH AVE. SUITE 1000 AUSTIN, TX 78741

ARCHITECT: K. BOODJER ARCHITECTS P.O. BOX 9041 AKCALTA, CA 95518

PROJECT ADDRESS: 118 S. TAYLOR WAY BLUE LAKE, CA 95025

ADJACENT PARCELS: 300 W. 100th & 310th 100th CITY OF BLUE LAKE

ZONING: GENERAL PLAN DESIGNATION: RP (RESIDENTIAL PLANNING) OFFICIAL ZONING: O-1 (OFFICE)

GENERAL PLAN DESIGNATION: 1077 S.W. 15TH AVE. SUITE 1000 (2.46 ACRES) 1077 S.W. 15TH AVE. SUITE 1000 (2.46 ACRES)

SETBACKS: FRONT - 10 FT SIDE - 10 FT SIDE - ALLEY - 10 FT

MAX ALLOWABLE HEIGHT: 25'0" (FLOOR TO FLOOR) 48' FT

PROPOSED MAX HEIGHT: 48' FT

USE PERMITTED: RESIDENTIAL B-2 UNITS (SINGLE-FAMILY DWELLING UNITS) COMMERCIAL RETAIL (50,000 SQ FT OR LESS) (SINGLE-FAMILY DWELLING UNITS ARE CALCULATED AS 1,000 SQ FT)

MAX GROUND COVERAGE: 70% MAX (70% OF AREA)

PROPOSED PARKING/PAVING: 26,274 SF (REQUIRED) 26,274 SF (PROPOSED)

PROPOSED PAVING/PARKING SPACE: 26,274 SF

PARKING REQUIRED: PER 1724.100.6 (7.24.200) 80 SPACES

PARKING PROVIDED: 80 SPACES

TYPE PARKING: PERICAL GREEN 4' X 8'0" X 7'0" (12' X 12'0")

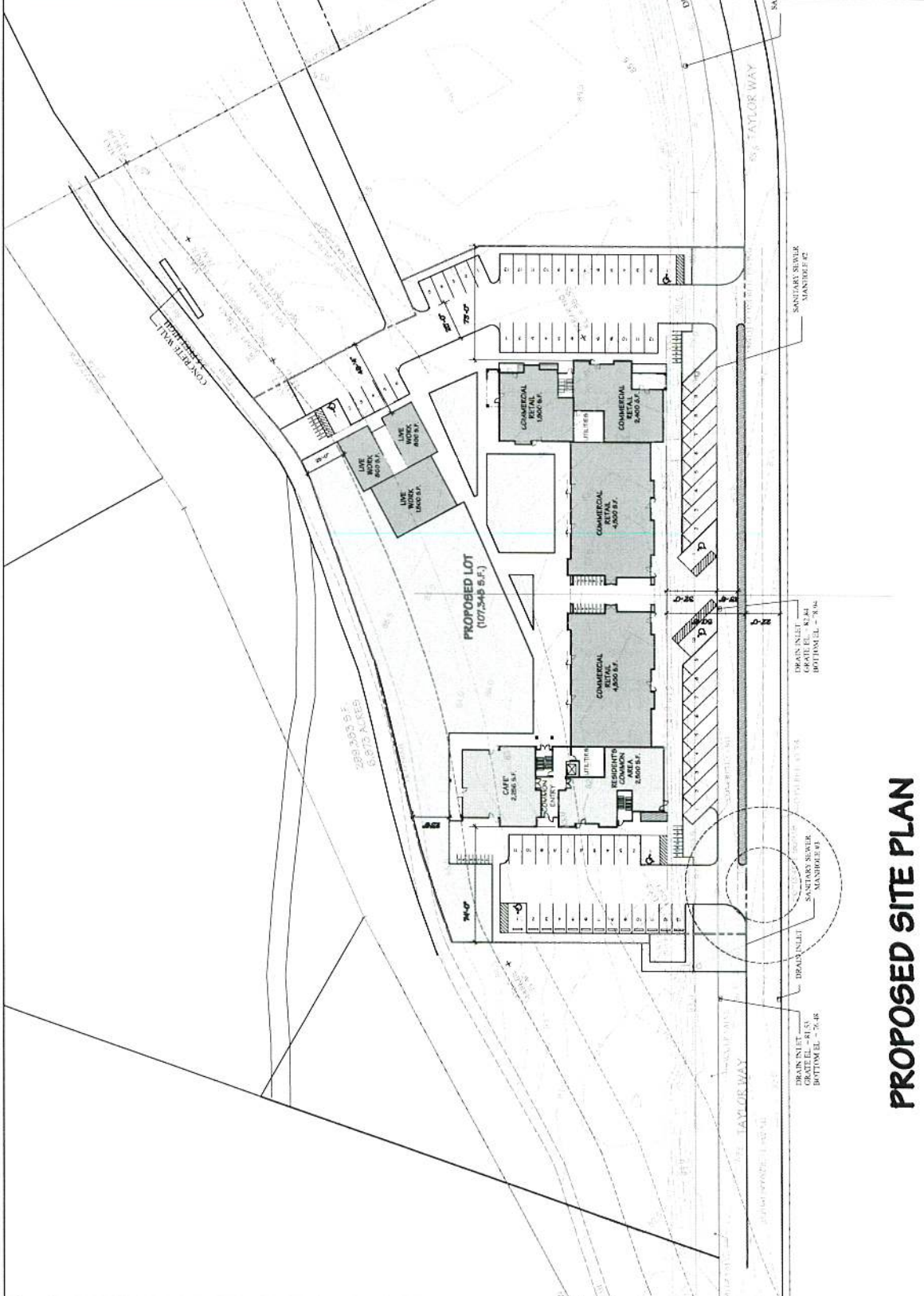
BI-CYCLE PARKING PROVIDED: 48 SPACES

BI-CYCLE PARKING PROVIDED: 48 SPACES

ALTERNATIVE EROSION CONTROL: TO BE PROVIDED AS STANDING GRASS MATS. LAUNDRY SUBSTITUTION, LOW IMPACT EROSION PROTECTION AND THE NEED FOR THE ALLOCATION OF SOLID PAVEMENT.

CODE REVIEW

ADDITIONAL CODES TO BE REVIEWED: 1724.100.6 (7.24.200) 1724.100.6 (7.24.200) 1724.100.6 (7.24.200) 1724.100.6 (7.24.200) 1724.100.6 (7.24.200) 1724.100.6 (7.24.200)



PROPOSED SITE PLAN

