GAVIN NEWSOM, Governor

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January 11, 2024

Sean Brewer, Assistant City Manager City Hall City of Coalinga 155 West Durian Coalinga, CA 93210

Dear Sean Brewer:

## RE: City of Coalinga's 6<sup>th</sup> Cycle (2023-2031) Revised Draft Housing Element

Thank you for submitting the City of Coalinga's (City) revised draft housing element received for review on November 14, 2023. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The revised draft element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq). The revisions needed to comply with State Housing Element Law are as follows:

 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).)

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).)

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).)

<u>Housing Needs and Special Needs Assessment</u>: The element has now added analysis regarding housing needs, including special needs households. However, the element should also address the magnitude of the gap between housing needs and resources and then add or modify programs in response to the magnitude of the gap. For example, the element generally discusses the housing needs of extremely low-income (ELI) households and some resources and programs intended toward those housing needs but should also discuss the gap and magnitude of unmet needs between housing needs and resources and programs. This analysis should at least address overpayment, overcrowding, ELI households, and special needs households.

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

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory... (Gov. Code, § 65583, subd. (c)(1).)

<u>Realistic Capacity</u>: The element has added additional examples to estimate the realistic development capacity for Coalinga; however, it must still adjust assumptions based on more localized information from western Fresno County and comparable zones. For example, the element includes one more sample from western Fresno County, but the zone is intended for lower densities. Further, the calculation of realistic capacity continues to incorporate a limited and biased sample from eastern Fresno County. Based on the information in the element and other Cities in the area, to address this requirement, the element should adjust assumptions closer to 60 to 65 percent of maximum allowable densities. Based on the outcomes of a complete analysis, the element must add or modify programs, as appropriate.

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

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).)

<u>Program 7 (Support Funding for Farmworker Housing)</u>: While the Program has been revised to identify development opportunities at least twice during the planning period, the program must add actions to address existing conditions for farmworkers. For example, the program could clarify targeting in other rehabilitation programs along with increased metrics for farmworkers.

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

To promote and affirmatively further fair housing (AFFH), programs should be revised, as follows:

- *Program 3 (Homeless/Unhoused Needs)*: This Program should add geographic targeting.
- *Program 11 (Promote and Facilitate Accessory Units)*: This Program should increase the metric or numeric target for the planning period.
- *Program 14 (Environmental Hazard Mitigation)*: The Program should add specific commitments and quantifiable metrics. The Program should also consider adding actions to address disparities in access to environmental (e.g., air) quality.
- *Program 21 (Land Use Controls)*: This Program should add geographic targeting and increase the quantifiable metric. For example, the element should target a specified acreage or capacity for number of units with smaller lot sizes.
- *Program 22 (Fresno County Rental Rehabilitation Program)*: This Program should increase the quantifiable metric.
- Programs 24 and 25 (Homebuyer Assistance Program and Fresno County *First-Time Homebuyer Assistance Program*): This Program should add geographic targeting and quantifiable metrics.
- *Program 27 (Housing Choice Vouchers)*: This Program should add geographically-targeted metrics (e.g., 10 percent of vouchers in northern neighborhoods) and refine geographic targeting to planning area (e.g., northern neighborhoods).
- *Program 29 (Improve Access to Resources)*: This Program must add discrete timing, geographic targeting, and quantifiable metrics. Additionally, the Program must expand place-based actions with specific commitment, timing, geographic targeting and metrics or numeric targets toward outcomes. Examples of place-based strategies including targeting the City's capital improvement program toward a broad range of activities, applying for funding toward community revitalization, community amenities, parks, community facilities, recreation facilities, active transportation,

infrastructure, streetscape improvements, safe routes to school and other community development activities.

 Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element, and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)

While the element provides an overview of public comments recently received, it must also describe how prior comments are incorporated into the housing element. In addition, the discussion of public participation should not be limited to comments received on the City's housing element and should incorporate comments received on the Multi-Jurisdictional Housing Element. Further, Self Help Enterprises has provided helpful comments to other Cities in the region that have meaningful application County-wide. HCD encourages the City to consider these comments and will send the comments under separate cover.

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

The element will meet the statutory requirements of State Housing Element Law once it has been revised, adopted, and submitted and reviewed by HCD to comply with the above requirements pursuant to Government Code section 65585.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Affordable Housing and Sustainable Communities program, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources. Sean Brewer, Assistant City Manager Page 5

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

HCD appreciates the hard work and dedication the City's housing element team provided during the update. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Jose Ayala, of our staff, at <u>Jose Ayala@hcd.ca.gov</u>.

Sincerely,

Paul McDougall Senior Program Manager