GAVIN NEWSOM, Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



January 26, 2024

Ellen Moore, City Planner Community Development Department City of Reedley 1733 Ninth Street Reedley, CA 93654

Dear Ellen Moore:

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

Thank you for submitting the City of Reedley's (City) revised draft housing element received for review on November 28, 2023, along with revisions that were received on January 26, 2024. The revisions were made available to the public for seven days prior to California Department of Housing and Community Development (HCD) review. Pursuant to Government Code section 65585, HCD is reporting the results of its review.

The revised draft element addresses many statutory requirements described in HCD's August 23, 2023 review; 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:

 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))

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).)

<u>Concentrated Areas of Poverty</u>: While the element adds information regarding the presence of an area of High Segregation and Poverty, it should also add local data and knowledge and compare neighborhoods in terms of quality of life and conditions. For example, the element can describe any disparities or differences in housing, parks, schools, active transportation, infrastructure, environmental quality, and other relevant factors such a physical or geographical barriers. The element should then respond to any identified disparities by adding or modifying existing programs, as necessary.

<u>Contributing Factors to Fair Housing Issues</u>: Based on the outcomes of a complete analysis, the element should re-assess and prioritize the contributing factors to fair housing issues.

<u>Goals, Priorities, Actions, and Milestones</u>: As noted above, the element requires a complete affirmatively furthering fair housing (AFFH) analysis. Depending upon the results of that analysis, the City may need to revise or add programs. In addition, the element must add other housing mobility actions, including, but not limited to rezoning or other actions to promote housing choices and affordability in areas of the City that are higher opportunity and higher median income relative to the rest of the community. In addition, the following programs should be revised, as follows:

- *Program 7 (Affordable Housing Incentives)*: While the Program includes a numeric objective and geographic targeting, it should also add a metric that is geographically targeted (e.g., 50 percent in relatively higher resource and higher median income areas).
- *Program 28 (Neighborhood Improvements)*: The element must increase the quantifiable metric and commit to applying for funding at least biannually. In addition, the element should implement strategies from other elements of the General Plan at least on an annual basis.
- 2. 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... ... Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. Supportive housing, as defined in Section 65650, shall be a use by right in all zones where multifamily and mixed uses are permitted, as provided in Article 11 (commencing with Section 65650). (Gov. Code, § 65583, subd. (c)(1).)

Zoning for a Variety of Housing Types (Transitional and Supportive Housing): While Program 15 (Zoning Code Amendments) has been amended, it should clarify that transitional and supportive housing is a permitted use in all zones allowing residential uses.

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

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government does not adopt a compliant housing element within 120 days of the statutory deadline (December 31, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation (RHNA) (Programs 6 and 15) shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i). Please be aware, if the City does not adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until these rezones are completed.

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

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

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the 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.

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>.

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

Sincerely,

Paul McDougall Senior Program Manager