

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

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May 12, 2022

Pete Carr, City Manager
City of Orland
815 Fourth Street
Orland, CA, 95963

Dear Pete Carr:

RE: City of Orland's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Orland's (City) housing element adopted March 1, 2022 and received for review on March 17, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review

The adopted housing element addresses many statutory requirements described in HCD's December 9, 2021 review; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code), see enclosed Appendix.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (November 30, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. 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).

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

<https://www.opr.ca.gov/planning/general-plan/guidelines.html>

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

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

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX CITY OF ORLAND

The following changes are necessary to bring the City's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on HCD's website at <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. Among other resources, the housing element section contains HCD's latest technical assistance tool, Building Blocks for Effective Housing Elements (Building Blocks), available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> and includes the Government Code addressing State Housing Element Law and other resources.

A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review for additional information.

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).)*

Local Patterns and Trends: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

Enforcement and Outreach: While the element was revised to discuss compliance with fair housing laws and capacity to provide outreach and enforcement, it must still evaluate the number and characteristics of housing discrimination complaints.

Disparities in Access to Opportunity: While the element was revised to include some analysis on transportation and economic opportunities, it must also examine patterns and trends at a local and regional level for access to opportunity for education and environmental quality.

Disproportionate Housing Needs, including Displacement Risk: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review for additional information.

Sites Analysis: The element describes where sites are located but must still evaluate identified sites relative to affirmatively furthering fair housing (AFFH). Please see HCD's prior review for additional information.

Contributing Factors: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review for additional information.

Goals, Priorities, Metrics, and Milestones: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review for additional information.

- 2. 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).)*

Large Households: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

- 3. 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).)*

Previously Identified Nonvacant and Vacant Sites: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

Infrastructure: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

Electronic Site Inventory: As noted in the prior review, pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory and submit an electronic version of the sites inventory. While the City has submitted an electronic version of the sites inventory, if changes occur, any future re-adopted versions of the element must also submit the electronic version of the sites inventory.

Zoning for a Variety of Housing Types (Transitional and Supportive Housing): The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

- 4. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building*

codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures... (Gov. Code, § 65583, subd. (a)(5).)

Land Use Controls: While the element was revised to include general land use control analysis, as noted in the prior review, it must also analyze how the population per acre assumptions interact with the allowed densities, lot coverage requirements in the R2 and MU zones, whether the height limit of 35 feet in the R2 zone allows for three story multifamily housing developments, describe public safety height restrictions, minimum lot size requirements for mobile home parks, and whether the conditional use permit (CUP) requirement in the Planned Development zone is a constraint. Based on a complete analysis, the element should add or modify programs to remove the identified constraints.

Parking Requirements: The element now states that parking is not a constraint (p. 148); however, it must include an analysis to support the assumptions. The analysis should address parking requirements for multifamily development, particularly smaller bedroom types for impacts on cost, supply, housing choice and affordability and include programs to address identified constraints.

Streamlining Provisions: The element was revised to state that the City will comply with Government Code 65913.4 and AB 2162 when requests are received (p. 154). It should be clarified if the City has a process in place for both AB 2162 and SB 35 and add or revise programs as appropriate.

On/Off-Site Improvements: The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review.

Constraints on Housing for Persons with Disabilities: As stated in the prior review, the element must describe the City's definition of family and analyze whether it is a potential constraint on housing for persons with disabilities and add or modify programs as appropriate. In addition, while the element was revised to state that the CUP requirement for residential care facilities is not a constraint, the element must remove or modify the requirement of a CUP for residential care facilities. The element must add or modify programs to remove or modify the CUP as it is a constraint on housing for persons with disabilities. In addition, the element must describe how group homes for seven or more residents are allowed in residential zones. If large group homes are not allowed, the element should include a program to allow group homes in all residential zones.

5. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next ten years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)*

The element was not revised to address this statutory requirement. Please see HCD's prior December 9, 2021 review for additional information.

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).)*

As stated in the prior review, the element must provide discrete timing for programs (e.g., month and year) to account for how often the action will occur as well as to ensure a beneficial impact in the planning period and quantify objectives where feasible.

Programs to be revised include the following:

- *HQL 1.2.1 (Housing Rehabilitation Program)* should include a timeline of the creation of outreach materials.
 - *AH 1.2.1 (Funding for Affordable Housing)* should include how often the City will apply for funding.
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... (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding B3, 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.

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).)*

Extremely Low-Income Households: Program AH 1.2.3 (Large Household Housing) must include discrete timing of incentive implementation.

Special Needs: Program AH 1.2.2 (Housing for Special Needs Populations) should be revised to include a timeframe for implementation of incentives.

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... (Gov. Code, § 65583, subd. (c)(3).)*

As noted in Finding B4, 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:

- *HQY 1.2.1 (Medium and High-Density Residential Sites Amendment to Families per Structure Requirement)*: While the element includes a program that removes the requirement to limit development to no more than four families per structure in the R2 and R3 zones, the program should specifically remove the conditional use permit requirement.
- *By-Right Permanent Supportive Housing*: As noted in finding B4, it is unclear if there are procedures in place to address by-right supportive housing (AB 2162). Based on the outcome of analysis noted in Finding B4, a program should be added to implement AB 2162 procedures.
- *Constraints on Housing for Persons with Disabilities*: While the element includes Program HQY 1.2.3 (*Removal of Governmental Constraints to Housing Development for Persons with Disabilities*) to develop a procedure for reasonable accommodation, the Program could be modified to remove the requirement of fees associated with the process.

5. *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).)*

As noted in Finding B1, the element must include a complete analysis of AFFH. Based on the outcomes of that analysis, the element must add or modify programs.

6. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a)... (Gov. Code, § 65583, subd. (c)(6).)*

While Program AH 1.1.1 was revised to meet the requirements Government Code sections 65863.10, 65863.11 and 65863.13, the program should also commit to coordinate with qualified entities with capacity to acquire and manage these housing developments and assist and support tenants.

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).)

The element was revised to address most of the findings in HCD's previous review. However, moving forward, the element should employ additional methods for public

outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts.