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

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April 12, 2022

Carlos Islas, Acting City Manager City of Bell 6330 Pine Ave. Bell, CA U.S.A. 90201

Dear Carlos Islas:

## RE: City of Bell's 6<sup>th</sup> Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Bell's (City) housing element adopted on February 9, 2022 and received for review on February 11, 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 November 5, 2021 review; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code), as follows:

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).)

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).)

Racial/Ethnic Areas of Concentration of Poverty (R/ECAP): While the revised element includes some discussion on a R/ECAP and area of High Segregation and Poverty, it should also, as noted in the prior review, analyze these areas, such as conditions of the neighborhood relative to quality of life (e.g., housing conditions, infrastructure, parks, community amenities, safe routes to school, environmental health) and effectiveness or absence of past strategies related to equitable quality of life. The element must add or modify programs based on the outcomes of this analysis.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): While the revised element includes some discussion on the site strategy, it should analyze the impact on existing patterns geographically (e.g., neighborhood, census tract, area) by units and income group for all components (integration and segregation, RECAP, disparities to access to opportunity, disproportionate including displacement). The analysis should also evaluate if there is any isolation of regional housing needs allocation (RHNA) for each component.

Goals, Actions, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, and milestones. Action should also explicitly AFFH by, for example, targeting geographic areas of higher need or lower-income or housing opportunities in higher opportunity areas. Finally, actions must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization (including emphasis on concentrated areas of poverty) and displacement protection. Please see HCD's prior review for additional information.

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 completed pursuant to paragraph (3) of subdivision (a) without rezoning... (Gov. Code, § 65583, subd. (c)(1).)

<u>Progress in Meeting the RHNA</u>: While the element now includes information on the availability and affordability of pending developments on Sites1, 2 and 3, it must provide similar information on Sites 4 and 5. Please see HCD's prior review for additional information.

Electronic Sites Inventory: As noted in the prior review, 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 <a href="https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element">https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element</a> for a copy of the form and instructions. The City can reach out to HCD at <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a> for technical assistance. To date, HCD has not received the City's electronic sites inventory and this form

must be submitted as part of any future adoption submittal or the element will not be found in compliance.

## Zoning for a Variety of Housing Types:

- Employee Housing Act: The element was revised to describe some requirements in the Employee Housing Act. However, the element still must be revised to demonstrate compliance with Health & Safety Code Sections 17021.5, 17021.6, and 17021.8. If necessary, the element should include a program to ensure compliance.
- Permanent Supportive Housing: The element now includes action in Program 7 (Review and Removal of Governmental Constraints) to permit supportive housing in multifamily residential zones. However, Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The Program should be revised with clear and specific commitment to meet these requirements.

<u>Programs</u>: As noted above, 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 should be revised as follows:

- City-owned Sites and Program 16 (Extremely Low and Lower-income Housing): The program was revised to include an outreach strategy to developers by 2026. However, given the importance of City-owned sites and the expected completion date for Site # 3, a city-owned site, of 2026 (p.146), the length of the planning period, this date should be moved forward, for example within 2 years of adoption.
- 3. 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).)

Local Processing and Permit Procedures: The element was revised to state the City has not received any SB 35 applications (pp.102-103), but will make information available to developers. However, as noted in the previous letter, the element should indicate whether the City has a written procedure to comply with the SB 35 Streamlined Ministerial Approval Process or add or modify programs to establish a procedure by a specified date.

Finally, as noted in the previous letter, the element still must address any locally adopted ordinances the City may have (e.g., inclusionary, short-term rental, etc.) that impact the cost and supply of housing. If applicable, the element should include analysis and programs as appropriate.

Housing for Persons with Disabilities: The element now includes Program 7 (Review and Removal of Governmental Constraints) to allow residential care facilities of over seven beds in the R-3 and Atlantic Avenue Specific Plan (Program 23) zones. However, this program should specifically commit to allow these housing types in all residential zones, including procedures (e.g., not a conditional use permit) that promote objectivity and approval certainty.

4. An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including.....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).)

The element was not revised to address this requirement. Please see HCD's prior review.

5. Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. (Gov. Code, § 65583, subd. (c)(3).)

As noted in Findings 3 and 4, 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, as previously stated in HCD's prior review, the element should include specific commitment (beyond reviewing) to address identified constraints. Commitments should also address the number of parking spaces and garage requirements for multifamily development.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

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 and those that previously commented on the draft housing element, by making information regularly available and considering and incorporating comments where appropriate.

As a reminder, the City's 6th cycle housing element was due October 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described above, adopt, and submit to HCD to regain housing element compliance. For more information on housing element adoption requirements, please visit HCD's website at: <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element/housing-element-housing-housing-element-housing-housing-housing-housing-housing-housing-housing-housing-housing-hous

http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375\_final100413.pdf.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), Program 5 (General Plan and Development Code Update) to rezone 3,392 units to accommodate the RHNA must 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).

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 is 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 Shawn Danino, of our staff, at <a href="mailto:shawn.danino@hcd.ca.gov">shawn.danino@hcd.ca.gov</a>.

Sincerely,

Paul McDougall

Senior Program Manager