

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

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March 19, 2020

Darrell Fonseca, City Manager
City of Dos Palos
2174 Blossom Street
Dos Palos, CA 93620

Dear Darrell Fonseca:

RE: Review of the City of Dos Palos' 5th Cycle (2016-2024) Draft Housing Element

Thank you for submitting the City of Dos Palos' (City) draft element received for review on January 28, 2020, along with revisions received on March 11 and March 17, 2020. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on March 4, 2020 with the City's consultant, Martin Carver.

The draft element addresses many statutory requirements; however, it must address the following to comply with State Housing Element Law (Article 10.6 of the Gov. Code):

1. *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).)*

The City's strategy to accommodate its Regional Housing Needs Allocation (RHNA) involves annexation of sites within the Midway Area. The element describes the Midway Area as containing approximately 715 acres of land. However, the element must provide an inventory of sites and analysis to demonstrate, among other things, suitability for development within the planning period. An inventory of sites must contain for each site a parcel number, parcel size, zoning, general plan designation, a description of existing uses for any non-vacant sites, realistic capacity calculation of each site, and a map of sites. For additional information and sample sites inventory, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/inventory-of-land-suitable.shtml>.

Based on the outcomes of the inventory and analysis, the element must add or modify programs as appropriate.

For your information:

- If the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period. This can be demonstrated by providing substantial evidence that the existing use is likely to be discontinued during the planning period (Gov. Code, § 65583.2, subd. (g)(2).
 - Sites smaller than an half acre or larger than ten acres in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated 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).).
2. *For elements due pursuant to Section 65588 on or after January 1, 2006, if a city or county in the prior planning period failed to identify or make available adequate sites to accommodate that portion of the regional housing need allocated pursuant to Section 65584, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the RHNA from the prior planning period (Gov. Code, § 65583.2, subd. (c)(2)(A).).*

Pursuant to Government Code section 65584.09, a jurisdiction that failed to identify or make available adequate sites to accommodate all of the previous cycle's housing need must zone or rezone adequate sites to accommodate all of the previous cycle's unmet housing need within the first year of the next housing element cycle. However, as this year has passed and the City failed to submit and adopt a 4th cycle housing element, the City's housing element will remain out of compliance until zoning has been implemented to accommodate the 88-unit shortfall pursuant to Government Code section 65583.2, subdivisions (h) and (i). In addition, the City has a 98-unit shortfall of adequately zoned sites to accommodate the 5th cycle RHNA for lower income households.

3. *(A) A local government that does not adopt a housing element within 120 days of the applicable deadline described in subparagraph (A), (B), or (C) of paragraph (2) or subparagraph (A) or (C) of paragraph (3) shall revise its housing element*

not less than every four years until the local government has adopted at least two consecutive revisions by the statutory deadline.

(B) If necessary, the local government shall adopt three consecutive four-year revisions by the statutory deadline to ensure that when the local government adopts its next housing element covering an eight-year planning period, it does so at the deadline for adoption for other local governments within the region also covering an eight-year planning period.

(C) The deadline for adoption of every second four-year revision shall be the same as the deadline for adoption for other local governments within the region (Gov. Code, § 65588 subd. (e)(4)).

Government Code section 65588, subdivision (e)(4), requires a jurisdiction that failed to adopt its housing element within 120 calendar days from the statutory due date to revise its element every four years until adopting at least two consecutive revisions by the applicable due dates. The City did not meet this requirement; therefore, it is subject to the four-year revision requirement until the City has adopted at least two consecutive updated revisions by the applicable due dates.

In addition to failing to adopt its housing element within 120 days of the statutory due date, the City also failed to adopt a housing element within the first four years of the planning period. Therefore, prior to obtaining housing element compliance, the City must adopt both an initial 5th cycle housing element and a compliant four-year update. The two housing elements may not be adopted concurrently. In addition, the four-year update requires standalone public outreach and participation, separate from the public outreach conducted for the initial 5th cycle housing element. The four-year update must also demonstrate meaningful progress in implementation since adoption of the initial 5th cycle housing element.

The housing element will comply with State Housing Element Law once it has been revised and adopted to address 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, by making information regularly available and considering and incorporating comments where appropriate.

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 program; SB 2 Planning Grants as

well as ongoing SB 2 funding (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 meets housing element requirements for these funding sources.

HCD appreciates the hard work Martin Carver, the City's consultant, provided during the course of our review. We are committed to assisting the City of Dos Palos in addressing all statutory requirements of housing element law. If you have any questions or need technical assistance, please contact Jamillah Williams, of our staff, at (916) 263-4849.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannan West". The signature is fluid and cursive, with the first name "Shannan" written in a larger, more prominent script than the last name "West".

Shannan West
Land Use & Planning Manager