

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

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April 18, 2022

Matt Ballantyne, City Manager  
City of Chino  
13220 Central Avenue  
Chino, CA 91710

Dear Matt Ballantyne:

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

Thank you for submitting the City of Chino's (City) housing element adopted on January 4, 2022 and received for review on February 18, 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 element addresses many statutory requirements from HCD's November 2, 2021 review; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

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 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 this statutory deadline, 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).

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.

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.

HCD appreciates the dedication and hard work the housing element team provided during the review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions, please contact Gerlinde Bernd, of our staff, at [Gerlinde.Bernd@hcd.ca.gov](mailto:Gerlinde.Bernd@hcd.ca.gov).

Sincerely,



Paul McDougall  
Senior Program Manager

Enclosure

## APPENDIX CITY OF CHINO

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. 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).)*

Assessment of Fair Housing: The element added data and maps to address some of the finding from HCD's prior review but generally was not revised to address this requirement. The element must analyze the information such as evaluating patterns, trends, conditions and circumstances, coincidence with other components of the assessment of fair housing and the effectiveness of past and current strategies to promote inclusive communities and equitable. This analysis should be complemented by local data and knowledge, including outreach, and other relevant factors. In addition, the element should address the following as noted in the prior review:

- *Enforcement and Outreach:* The element must still summarize the results of outreach efforts related to affirmatively furthering fair housing (AFFH) to better formulate goals and actions.
- *Segregation and Integration:* The element must still evaluate patterns and trends relative to income, particularly because there appears to be a distinct pattern from north to south and the element should discuss these differences to better guide goals and actions to address fair housing issues.
- *Disparities in Access to Opportunity:* The element must still address disparities in access to educational opportunities.

Local Data and Knowledge and Other Relevant Factors: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Contributing Factors to Fair Housing Issues: While the element now describes contributing factors to fair housing issues, based on the outcomes of a complete analysis, it must re-assess and prioritize contributing factors, as appropriate.

Identified Sites and AFFH: The element includes some general conclusions but generally was not revised to address this requirement. For example, the element still does not address how the analysis is not reflected in conclusions. In addition, the analysis should discuss the magnitude of the impact including the number of units by income group relative to locations or neighborhoods within the City, including any isolation of the Regional Housing Needs Allocation (RHNA) and then address whether sites exacerbate or improve segregation and integration. Please see HCD's prior review for additional information and HCD will send a sample table to facilitate analysis under separate cover.

Goals, Priorities, Metrics, and Milestones: Based on the outcomes of a complete analysis, the element must be revised to add or modify goals and actions accordingly. 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 appropriate specific commitment, metrics, milestones and be specifically targeted toward AFFH outcomes.

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).)*

Housing Conditions: The element was not revised to address this requirement. Please see HCD's review for additional information.

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).)*

Realistic Capacity: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Nonvacant Sites: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

In addition, as noted in HCD's prior review, the element currently identifies vacant sites intended to accommodate slightly more than 50 percent of the lower-income RHNA. For your information, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower income households, it must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption, resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the regional housing need allocation. If this ratio changes, the City may need to make findings as part of any future re-adoption.

Small and Large Sites: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Environmental Constraints: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Accessory Dwelling Units (ADUs): The element assumes 40 ADUs per year for a potential buildout of 320 units within the planning period. As noted in the prior review, the element should reconsider assumptions, reconcile trends with HCD records, include additional information, such as more recent permitted units and inquiries, resources and incentives, other relevant factors, and modify policies and programs as appropriate. In response, the element still does not reconcile trends with records and only adds recent applications (not permitted ADUs). Further, this new information (21 applications in 2021) is not supportive of the assumptions in the element. The element should reconcile figures with HCD's records, reduce the reliance on ADUs based on recent trends and policies and programs (e.g., 10 units per year) and add or modify programs as appropriate.

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:

- *Emergency Shelters*: The element now lists parking requirements for emergency shelters as one space for every four beds plus one space per employee. These parking requirements are inconsistent with state law which essentially only allow imposing parking requirements for staff. The element must include a program to amend standards in compliance with Government Code section 65583, subdivision (a)(4).
  - *Permanent Supportive Housing*: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.
  - *Manufactured Homes*: HCD's prior review found the element must demonstrate manufactured homes on a foundation are allowed by-right in single family residential areas and treated as a single-family use pursuant to Government Code section 65852.3 or include a program to amend zoning. In response, the adopted element explains statutory requirements but provides no information on how the City complies with the law. Please see HCD's prior review for additional information.
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).)*

Processing and Permit Procedures: The element now includes information related to processing times and steps to complete an application for development. However, the element must still evaluate processing and approval procedures for typical single-family and multifamily developments, including type of permit, level of review, number of public hearings, approval findings and any other discretionary approval procedures. The analysis should address impacts on housing supply (number of units), cost and most importantly approval certainty.

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

Approval Time: As noted in HCD's prior review, the element must still identify and analyze the length of time between receiving approval for a housing development and submittal of an application for building permits.

## **B. Housing Programs**

1. *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, and to comply with the requirements of Government Code section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding A3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning was 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 must be revised, as follows:

- *Program Actions 3B and 3C (Affordable and Mixed-use Overlays)*: While these programs now include acreage to be rezoned, the programs generally were not revised to address this requirement. Please see HCD's prior review for additional information.
- *Excess State Sites*: HCD's prior review found the element should include a program with a schedule of actions to facilitate development on the identified excess state site, including facilitating zoning and entitlement and an alternative action if the site does not become available with sufficient time for development in the planning

period. In response, the program now commits to coordinate with the state and evaluate progress toward the RHNA if the site does not become available in a timely manner. However, the element should still include a schedule of actions. For example, the Program should commit to when zoning will be made available, other actions the City will take to facilitate development and clear commitment to take alternative action by a date specified if the sites do not become available for development.

- **Measure M:** The element now states that a vote is necessary to make sites available with appropriate zoning to accommodate the RHNA. As noted in the prior review, Programs should have a schedule of actions necessary for the Measure M vote and alternative actions with dates if the vote is not successful. In response, the element includes a program that states the City has begun a process and commits to work with HCD if the rezoning fails. However, the Program should specifically commit to a schedule for the vote, including steps with timing leading to the vote. In addition, the program should specifically commit to when the City will initiate and complete alternative actions if sites are not made available with appropriate zoning.

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

As noted in Findings A4 and A5, the element requires a complete analysis of potential governmental and non-governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs to address and remove or mitigate any identified constraints. In addition, the element must be revised, as follows:

- **Measure M:** The element now notes a vote is required to make sites available with appropriate zoning to accommodate the RHNA. While the element will include actions to make the sites with zoning available, it must also include actions to address Measure M as a constraint on development (regardless of RHNA).
- **Program 2J (Constraints on Housing for Persons with Disabilities):** The element now commits to amend zoning to be compliant with state law regarding group homes. However, this Program should be revised with clear and specific commitment to address constraints on housing for persons with disabilities. The Program should commit to amend zoning to establish procedures that will promote objectivity and approval certainty and to allow group homes in all residential zones.

3. *Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. (Gov. Code, § 65583, subd. (c)(4).)*

As noted in Finding A2, the element must include a complete analysis of housing conditions. Based on the outcomes of that analysis, the element may need to add or modify programs to conserve and improve the condition of the existing housing stock.

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).)*

As noted in Finding A1, the element does not include a complete analysis of AFFH requirements. Based on a complete analysis, the element must add or revise programs.

5. *Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).)*

Depending on the outcomes of the analysis noted in Finding A3, Program Action 3E (ADU and Junior ADU (JADU) Monitoring Program) may need to monitor ADU production and affordability more than once in the planning period.

### **C. 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)(8).)*

HCD's prior review found the City should employ additional methods for public outreach, particularly including lower-income and special needs households and neighborhoods with higher concentrations of lower-income and special needs households. For example, the City could conduct targeted stakeholder interviews. In addition, the element should describe how public comments were considered and incorporated into the housing element. In response, the element now includes a program to extend outreach efforts throughout the planning period to gather input on housing topics, including focusing on under-represented communities. While HCD recognizes and supports the City's efforts to assure representation from all segments of the community, HCD's prior finding is related to the development, adoption, and implementation of the housing element update. Future steps to revise, including adoption, the element should employ additional methods as noted in the prior review. Finally, the element should still describe how public comments were considered and incorporated into the housing element.