

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

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October 10, 2022

Vanessa Reynoso, Deputy Director
Community Development Department
City of Alhambra
111 South First Street
Alhambra, CA 91801

Dear Vanessa Reynoso:

RE: City of Alhambra's 6th Cycle (2021-2029) Revised Draft Housing Element

Thank you for submitting the City of Alhambra's (City) revised draft housing element received on August 11, 2022. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Henry Fung; Californians for Homeownership, Abundant Housing LA, YIMBY Law and Josh Albrekston pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses many statutory requirements from HCD's April 8, 2022 review; however, further revisions will be necessary to 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).)

Goals, Actions, Metrics, and Milestones: While the element includes many potentially meaningful programs to affirmatively further fair housing (AFFH), generally, programs must include numeric targets in terms of housing outcomes (e.g., number of units by income group, number of persons assisted). Currently, programs describe metric types (e.g., number of cases, number of units, dollars collected) but should also have a numeric target in terms of outcomes. In

addition, the element should consider additional actions to: (1) increase new housing choices and affordability in higher opportunity or higher income areas such as targeting zoning for missing middle types, (2) address displacement risk and (3) specific objectives related to place-based strategies to improve community revitalization (e.g., rehabilitation, street and mobility improvements, parks, community amenities).

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... (Gov. Code, § 65583, subd. (c)(1).)

Parcel Listing: As stated in HCD's prior review, the element must still list parcels by general plan designation.

Nonvacant Sites: While the element discusses recent trends relative to identified sites, it should still evaluate those trends relative to assumptions in the inventory. Specifically, the element utilizes a residential redevelopment factor of 2.5 to 3 times increased capacity for sites identified toward the regional housing need allocation (RHNA) based on existing zoning. However, the analysis of development trends does appear to support these assumptions. Further, the element should include discussion of the existing uses and any conditions that impeded additional development in the planning period. For example, the element could discuss utilization of parking and whether that use impedes additional development. Also, the City should consider and address public comments regarding the potential of redevelopment on some identified sites and finally, the element should include a program to re-evaluate the effectiveness of identified nonvacant sites in facilitating additional housing development and take measures (e.g., rezoning), as appropriate within a specified time (e.g., within six months)

In addition, the element still relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, which triggers requirements to make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period. While the resolution of adoption includes the appropriate findings, any changes to the analysis should be reflected in future re-adoption of the element.

Electronic Sites Inventory Form: 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. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Accessory Dwelling Units (ADUs): The element notes the accuracy of the City's ADU records but still must reconcile those numbers with HCD records, particularly for reporting years 2018 and 2020. In addition, while the element notes the uptick in recent applications, it still is assuming almost double the number of recently permitted ADUs and the element should rescale the assumptions to an appropriate assumption (50-60 ADUs per year). In addition, Program 26 (ADU) commits to adding site capacity if ADUs are not tracking within 25 percent of assumed capacity once in the planning period. However, the Program should consider a much higher benchmark (e.g., 75 percent) and commit to take appropriate action, if necessary, every two years.

Programs: As noted above, 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, Program 22 (City-Owned land) should include numeric objectives, including affordability, consistent with assumptions in the inventory and a specific schedule of actions to facilitate development on the Alhambra Golf Course beyond conducting an evaluation. Steps may include discrete timing for making the site available, facilitating entitlements, and issuing building permits as well as a numeric objective, including affordability, consistent with assumptions in the inventory.

3. *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).)*

To address constraints on the development of housing, the element should be revised, as follows:

- *Program 9 (Meeting Special Housing Needs)*: The Program should not be limited to “family care homes” and commit to amend zoning and procedures for all groups for seven or more persons in all residential zones with objective standards to promote approval certainty.
 - *Program 27 (Reduce Development Constraints)*: The Program commits to establish appropriate development standards to achieve realistic densities but should instead commit to development standards to facilitate achieving maximum densities.
 - *Program 29 (Development Streamlining)*: The Program should go beyond drafting a proposal to improve the planning review process and specifically commit to revise the process. In addition, the Program should go beyond developing objective design standards and specifically commit to establish standards. Finally, standards should not be limited to design standards but also development standards to better address subjective standards and approval findings.
4. *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).)*

While the element now includes a general summary of the public participation process and has amended Program 33 to address public feedback, many comments should still be considered and incorporated as appropriate. Examples include commitment to AFFH by allowing missing middle in higher resource or higher income neighborhoods, small sites feasibility, approvals on industrial (IPD) sites, local hire program requirements as a constraint, inclusionary feasibility and how it relates to density bonus law, discretionary review reform, development standards, or mid cycle rezones in the event identified sites are not effective in facilitating additional housing 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.

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 for identified sites in prior planning periods or to accommodate the RHNA, including for lower-income households (Programs 18 and 19),

shall be completed no later than one year from the statutory deadline. Otherwise, HCD cannot find the element in compliance until the rezoning is complete.

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 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 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 Connor Finney, of our staff, at Connor.Finney@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager