

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

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 28, 2021

Ann Edwards, County Executive
County of Sacramento
700 H Street, Room 7650
Sacramento, CA 95814

Dear Ann Edwards:

RE: Sacramento County's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the County of Sacramento's (County) housing element adopted July 27, 2021 and received for review on July 30, 2021. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Sacramento Housing Alliance, TCS Planning, and California Consortium of Addiction Programs and Professionals (CCAPP) pursuant to Government Code section 65585, subdivision (c).

The adopted housing element addresses most statutory requirements described in HCD's May 26, 2021 letter; 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. The program shall include an assessment of fair housing... (Gov. Code, § 65583, subd. (c)(10)(A).)*

Affirmatively Furthering Fair Housing (AFFH): The element includes a variety of information and analysis related to AFFH; however, additional information is necessary to address this requirement, as follows:

- **Concentrated Areas of Affluence:** The element should analyze trends and patterns related to concentrated areas of affluence within the County and relative to the region.
- **Access to Opportunity:** The element should analyze access to opportunity related to transportation outcomes within the County.

- *Sites Inventory*: The element analyzed the existing sites identified for lower-income as perpetuating existing patterns of segregation and disproportionate need. As a result, it identified that 10% of the sites to be rezoned for lower-income will be in moderate or high opportunity areas. Based on the analysis of perpetuating fair housing issues in the sites inventory, the housing element should identify more than 10% (e.g., 30-40%) of the rezone sites in moderate and high opportunity areas to improve each of the fair housing issue areas.
 - *Local Data and Knowledge*: The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. For more information, please contact HCD and visit <https://www.hcd.ca.gov/community-development/affh/index.shtml>.
 - *Goals and Actions*: While the element lists programs that help support fair housing, the element must be revised to add or modify goals and actions based on the outcomes of analysis described above. Goals and actions must specifically respond to the analysis and 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 metrics and milestones as appropriate and address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.
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, and to comply with the requirements of 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).)

To demonstrate the adequacy of sites and strategies to accommodate the County's Regional Housing Needs Allocation (RHNA), the element must include complete analyses:

Default Density: The element identifies seven residential sites (APNs 0750040025, 0750040040, 0390011020, 0390011034, 039001106, 0390011013, 0670030076) utilizing density less than 30 units per acre as appropriate to accommodate housing for lower-income households. As a result, the element must either clarify there is a pending or approved project and demonstrate affordability based on actual or anticipated sales prices or rents or include an analysis to demonstrate the appropriateness of these densities to accommodate housing for lower-income households. The analysis must include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower-income households.

Large Sites: Sites larger than ten acres in size are deemed inadequate to accommodate housing for lower-income households unless analysis demonstrates their suitability. Generally, the analysis must analyze how sites of the same size were successfully developed for the same affordability. Given the element includes larger sites, it must include analysis to demonstrate the adequacy of these sites and add or modify programs as appropriate. While the element provided one example of an affordable project developed on a large parcel in 2006-2008, the element must specify if each of the sites currently identified in the inventory are part of master plans that specify the number of affordable units for each plan.

In addition, Program A8 (Facilitate Affordable Housing on Large Sites) must include an implementation component beyond exploring mechanisms to develop affordable housing on large sites.

Electronic Sites Inventory: While the County submitted a sites inventory pursuant to Government Code section 65583.3, subdivision (b), the County must include the candidate rezone sites in Table B of the form.

Zoning for a Variety of Housing Types

- *Emergency Shelters:* While the element states that emergency shelters are allowed by-right in the GC and M-1 zones, it must also clarify whether emergency shelters are permitted without discretionary action.
- *Accessory Dwelling Units (ADU):* The majority of the County's adopted ADU ordinance complies with state ADU law. After a cursory

review of the County's ordinance, HCD found setback requirements for side street yard setbacks do not appear to comply with ADU law. As a result, the element should add a program to update the County's ADU ordinance and comply with state law. HCD will provide a complete listing of ADU non-compliance issues under a separate cover.

Programs: Based on the outcomes of complete analyses, the element must include programs as appropriate.

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).)*

An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Section 65583.2... (Gov. Code, § 65583, subd. (a)(6).)

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).)

Constraints on Housing for Persons with Disabilities: The element states the County does not have a definition of family, but it does define "single household". The element should analyze the definition of "single household" as a constraint on housing for persons with disabilities. For example, provisions such as "established ties" create ambiguity and potential barriers for housing for persons with disabilities. In addition, Program D9 (Supportive Living Uses) must also be revised to ensure transitional and supportive housing is permitted as a residential use in all zones and only subject to those restrictions that apply to other residential dwellings of the same type in the

same zone. The program must also address by-right permanent supportive housing consistent with Government Code section 65651.

Programs: Based on the outcomes of complete analyses, the element must include programs as appropriate.

4. *Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)*

The element includes quantified objectives estimating the number of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes conservation, objectives related to the preservation of at-risk units, it should include additional quantified objectives based on other programs. Examples of programs include C2 (Financial Assistance for Emergency Repairs), C4 (Substandard Housing), C5 (Rental Housing Inspection) and C7 (Information for Displaced Tenants).

5. *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 through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)*

In addition to adding or modifying programs as appropriate based on complete analyses, as noted above, programs must be revised to ensure a beneficial impact in the planning period, as follows:

- *Assist in Development*: While the element includes some programs to assist in development, the element should also include actions that annually reach out to developers of affordable housing, identify opportunities for development, assist or support applications for financing and other actions as appropriate. In addition, actions should also address the housing needs of persons with special needs, including developmental disabilities.
- *Program D8 (Emergency Shelters)*: The element must also revise the emergency shelter requirements to list out what will be amended and clarified regarding emergency shelters.

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the County 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: http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

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 County will meet housing element requirements for these and other funding sources.

HCD appreciates the effort and dedication Leighann Moffitt, Planning Director; Leanne Mueller, Senior Planner; Kristina Grabow, Associate Planner; and Todd Smith, Principal Planner, provided throughout the housing element review. If HCD can provide assistance in implementing the housing element, please contact Hillary Prasad, of our staff, at Hillary.Prasad@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager