

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Division of Housing Policy Development

1800 Third Street, Suite 430
P. O. Box 952053
Sacramento, CA 94252-2053
(916) 323-3177 / FAX (916) 327-2643
www.hcd.ca.gov



March 6, 2008

Mr. Hal G. Fredericksen
Community Development Director
City of La Verne
3660 "D" Street
La Verne, CA 91750

Dear Mr. Fredericksen:

RE: Review of the City of La Verne's Draft Housing Element

Thank you for submitting the City of La Verne's draft housing element received for review on January 7, 2008. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Telephone conversations with Ms. Amy Altomare, of your staff, facilitated the review.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element should include more detailed analyses of identified sites and governmental constraints, and should strengthen and expand programs to address identified housing needs within the City. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

The Department appreciates the cooperation of Ms. Altomare throughout the course of the review and is available to assist La Verne in addressing statutory requirements. If you have any questions, or wish to schedule a site visit, please contact Melinda Coy, of our staff, at (916) 445-5307.

Sincerely,

Cathy E. Creswell
Deputy Director

Enclosure

cc: Amy Altomare, Assistant Planner, City of La Verne

APPENDIX CITY OF LA VERNE

The following changes would bring the City of La Verne's housing element into compliance with Article 10.6 of the Government Code. The supporting section of the Government Code is cited for each recommended change.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, please refer to the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements* www.hcd.ca.gov/hpd/housing_element/index.html, the Department's publication, *Housing Element Questions and Answers (Qs & As)*, and the Government Code addressing State housing element law.

A. Review and Revise

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element (Section 65588 (a) and (b)).

The review requirement is one of the most important features of the housing element update. While the element does analyze some prior programs (pages 18-21), a more thorough program-by-program review is necessary to evaluate La Verne's performance in addressing housing goals and effectiveness in responding to the identified needs particularly for low and moderate-income households. For example, none of the programs in Table H-67(b) of the prior element or the corresponding implementation measures were evaluated in the draft element. A thorough evaluation should include an analysis of significant differences between what was projected or planned in and what was achieved. In addition, the element should provide a description of how the goals, objectives and programs of the updated element incorporate what has been learned from the results of the prior element.

B. Housing Needs, Resources, and Constraints

1. *An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low income households, as defined in subdivision (b) of Section 50105 and Section 50106 of the Health and Safety Code.*

In accordance with recently enacted legislation (Chapter 891, Statutes of 2006), the element must identify and analyze the needs of existing and projected extremely low-income households (households earning less than 30 percent of Area Median Income). The element may either use available census data to calculate the percentage of very low-

income households that qualify as extremely low-income households, or estimate that 50 percent of very low income households qualify as extremely low-income households. For your information, CHAS Data indicates there were 292 renter and 587 owner households earning less than 30 percent of AMI living in the City of La Verne at the time of the 2000 Census.

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 (65583(a)(2)).*

The element must include a thorough description and analysis of housing characteristics including:

- total number of households by tenure;
- overcrowding by tenure;
- estimates of the number of units in need of rehabilitation or replacement.
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This information will assist the City in developing appropriate housing policies and in prioritizing housing resources. Under a separate cover, the Department will provide Census and CHAS data to assist with this analysis. For additional information please refer to the Department's *Building Blocks for Effective Housing Elements* section on existing housing needs, or the Department's publication, *Housing Element Questions and Answers (Qs & As)* pages 7-8.

3. *Include an analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter. (Section 65583(a)(7)).*

While the element describes the number of persons or households in each of the special housing needs groups, the element must be expanded to include an analysis of the housing needs and resources for each group. For example, the element should include tenure information for elderly households, an analysis of persons with disabilities and analyze their special housing needs, and include tenure information for large families. This analysis will assist the City in identifying any unmet housing need and whether new or expanded program responses are required.

In addition, the element must include a current estimate of the number and needs of the homeless. Wherever possible, this figure should be divided into single males, single females and families (one or more adults with children) as the shelter needs of each subgroup differ

significantly. Information regarding the homeless within the community can be found by contacting local service providers such as Pomona Community Services (909-622-3466), the City Police Department, and through the Greater Los Angeles Homeless Count, sponsored by the Los Angeles Homeless Service Authority <http://www.lahsa.org/docs/homelesscount/2007/LAHSA.pdf>.

Under separate cover, the Department will send examples of thorough special need housing analysis, census data regarding special needs groups, and would be glad to assist the City in finding resources to better quantify and address the housing needs of these populations.

4. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

The land inventory does not demonstrate sufficient sites to accommodate the City's regional housing need of 356 units affordable to lower-income households. With the exception of a few parcels such the proposed Transit-Oriented Development (TOD) (Site 22), a majority of the identified sites are zoned for lower-density development or have insufficient capacity to support housing affordable to lower-income households. Therefore, the element must be revised as follows:

Zoning to Encourage and Facilitate Housing for Lower-Income Households - The majority of sites identified in the site inventory have densities too low to encourage and facilitate the development of housing for lower-income households. While senior housing within the Foothill Boulevard Specific Plan is allowed at higher densities with a CUP (page 28), the element must identify zoning and densities appropriate to encourage and facilitate housing to accommodate non-senior lower-income households. The analysis should be based on factors such as market demand, financial feasibility and development experience within zones.

Suitability of Available Sites - While the element contains a parcel-by-parcel description, additional information is needed to determine the suitability of the sites to accommodate the Regional Housing Need Allocation (RHNA) especially where the element indicates a potential for affordable housing. For example:

- **Site 22** indicates a potential for approximately 200 units as part of a TOD project after the proposed rezone from industrial to mixed-use high density is complete. The element should include information on timing of the rezone, anticipated density and development standards, and describe incentives that will be provided to encourage affordable residential development on the site.
- **Site 23** appears to be of sufficient size to accommodate a large number of units, however, the zoning standards only allow higher density if restricted for senior housing.
- **Sites 14-17** are listed as having potential for affordable housing because the Walnut neighborhood is within a redevelopment area and the potential to provide a density bonus. However each site only describes the potential for one detached single family unit with a second unit. While, the potential second units may represent a viable opportunity for housing affordable to lower income households, the element does not otherwise demonstrate the realistic capacity for the single family units to address La Verne's regional housing need for lower income households.
- **Site 26:** The RHNA reflects the need for additional housing for households. As a result, only sites that allow housing units, as defined by the census, may be credited to meeting the City's RHNA. If Site 26 is to be developed for dormitories rather than housing units, it can not be credited toward the City's RHNA.

To assist in determining the remaining regional housing need, the element must indicate the status of any proposed projects on sites listed within the inventory and provide specific counts for the number of housing units within these developments that would be affordable to lower-income households.

Realistic Capacity – The element must describe the methodology used to determine the anticipated development capacity of the mixed-use and commercial sites identified in Table H-16. The analysis must adjust the calculation based on the following:

- imposition of existing or planned land-use controls,
- site improvement requirements;
- potential for non-residential uses;
- any performance standards; and
- recent development trends.

Infrastructure – The element must identify whether sufficient total water and sewer capacity is available to accommodate La Verne's share of the regional housing need.

Sites with Zoning for a Variety of Housing Types - The housing element must demonstrate zoning that will encourage and facilitate a variety of housing types, including multifamily rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. An adequate analysis should, at a minimum, identify whether and how zoning districts explicitly allow these uses, analyze whether zoning, development standards and permit procedures encourage and facilitate these housing types. If the analysis does not demonstrate adequate zoning for these housing types, the element must include implementation actions to provide appropriate zoning.

Transitional Housing - Pursuant to recently enacted legislation, SB 2 (Cedillo), Chapter 633, Statutes of 2007, transitional housing must only be subject to the same permitting processes as other housing in the subject zone (e.g., multifamily housing, group homes, etc.) without undue special regulatory requirements. The element's program to allow transitional housing by-right in the Foothill Boulevard Specific Plan (Policy 6.7, page 80) appears to limit where transitional housing will be allowed. The element should amend this program to allow transitional housing pursuant to State law.

Emergency Shelters - Policy 6.7, (page 80) proposes to amend the zoning code to allow emergency shelters by-right in the commercial district within the Foothill Boulevard Specific Plan. Pursuant to SB 2 (Cedillo), the analysis must demonstrate this zone will have sufficient capacity to accommodate at least one year-round emergency shelter. In addition, the element must demonstrate that existing or proposed permit processing, development, and management standards encourage and facilitate the development of, or conversion to, emergency shelters. Amendments to the zoning code to comply with the requirements of SB 2 must be completed within one year of the adoption of the housing element.

5. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land-use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures (Section 65583(a)(4)).*

Land-Use Controls – While the element lists the City of La Verne's zoning and development standards in Table H-16, it does not include an

analysis of these standards for their impact on the supply and affordability of housing. For example, the element should evaluate the cumulative effect of development standards such as lot coverage, minimum floor areas, and parking requirements, on the ability to achieve maximum permitted densities. The element should also specifically describe and analyze the City's requirements for enclosed and covered parking and analyze height standards for any potential constraints to supply and affordability. In addition, the element should describe and analyze the development standards within the specific plan and mixed-use zones allowing for residential development.

Processing and Permit Procedures – Though the element describes permit processing improvements implemented by the City (page 62), the element must include a specific description and analysis of permit processing procedures including the total typical permit and entitlement process for both single-family and multifamily units and analyze their impacts on the cost and supply of housing. The element should include a description and analysis of any design review required as part of the permitting process. In addition, the element should describe and analyze the processing and permit procedures for developments within the Foothill Boulevard Specific Plan. The element should also describe the permitted uses by zoning district.

Constraints on Housing for Persons with Disabilities – The element must include a detailed analysis of zoning, development standards and approval procedures for the development of housing for persons with disabilities. The element should include programs to address any identified constraints. For example, among other things, the element should identify and analyze: (1) any definitions of family in the zoning code; (2) whether the locality has an established reasonable accommodation procedure; (3) maximum concentration requirements for residential care facilities; (4) any site planning requirements that may constrain housing for persons with disabilities; and (5) any parking requirements for housing for persons with disabilities. Please refer to the Department's *Building Blocks for Effective Housing Elements'* section on Constraints for Persons with Disabilities and the enclosed copy of the Department's *SB 520* memo and analysis tool to assist in addressing this statutory requirement.

Fees and Exactions – The element lists some fees (page 4-21) and considers cumulative per unit cost for a typical single family residential project, however, it should also describe and analyze the total effect or proportion of these fees and exactions on development costs for multifamily housing. In addition, the element should provide a more detailed description of the Housing Impact Linkage Fee including the total amount currently within the fund, and any planned uses.

Code Enforcement – The element should discuss the type and degree of code enforcement activities including any efforts to link code enforcement activities to housing rehabilitation programs.

6. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions (Sections 65583(a)(8) through 65583(a)(8)(D)).*

The element identifies the Canyon Terrace Apartments as at-risk within the planning period. The element must also include an analysis of the potential risk of conversion including a cost estimate of replacing the at-risk units, a list of entities with the capacity to acquire at-risk developments and potential funding resources. This analysis will assist in the development of appropriate programs targeted to preserve these units (please refer to the Qs & As publication, page 11).

C. Housing Programs

1. *Include a program which sets forth a five-year schedule of actions 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, provision of regulatory concessions and incentives, and the utilization of appropriate federal, state financing and local financial resources (Government Code Section 65583(c)).*

All programs should be revised to: 1) include specific timelines or milestones; 2) expand the description of the City's role; and, 3) include measurable outcomes. In addition, the element should clearly demonstrate the relationship between Table H-18 and the implementation programs found in the subsequent pages. A five-year implementation plan containing clear objectives will assist the City in accurately assessing the progress, effectiveness, and appropriateness of the housing element in meeting the City's housing needs. The element should also identify programs to address the needs of extremely low-income households. Examples of implementation programs that should be strengthened include, but are not limited to, the following:

Policies 1.3, 1.4, and 2.1 - Include specific timelines and objectives for rehabilitation activities, and describe how the City will promote the availability of these funds. The City could also consider marketing rehabilitation programs as part of code enforcement activities.

Policy 5.3 – Describe how the City will encourage high density residential uses within the Lordsburg Area and Foothill Boulevard Specific Plan.

Policy 4.5 – Describe when the City will develop additional incentives to assist in the development of affordable housing.

Policy 6.9 – Describe when the program will be established, how the City will promote, and when funding will be allocated.

Policies 7.4 and 7.2 – Describe how the City will encourage and promote higher density and compact development and the timing related to the adoption of the energy conservation ordinance and development of energy conservation standards. The element should also describe the City's role in promoting energy audits and residential participation in utility rebate programs.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in finding B4, the element does not demonstrate sufficient sites to accommodate the City's remaining regional housing for lower-income households. As a result, the City must add or strengthen programs to address a shortfall of sites or zoning available to accommodate a variety of housing types, for all income levels, including housing for lower income families.

For your information, where the inventory does not identify adequate sites pursuant to Government Code Sections 65583(a)(3) and 65583.2, the element must provide a program to identify sites in accordance with subdivision (h) of 65583.2 for 100 percent of the remaining lower-income housing need with sites zoned to permit owner-occupied and rental multifamily uses by-right during the planning period. These sites shall be zoned with minimum density and development standards that permit

at least 16 units per site at a density of at least 20 units per acre. Also, at least 50 percent of the remaining need must be planned on sites that exclusively allow residential uses.

Implementation programs under Policy 5.4 should be strengthened to specifically identify the sites that will be rezoned as part of the Transit Oriented Development to allow residential development by a specific date. The program should also indicate the allowed residential density, describe the City's efforts to encourage housing development under the specific plan, especially for housing affordable to lower-income households, and how it will promote this program.

3. *Address and where appropriate and legally possible, remove governmental 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, or provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities (Section 65583(c)(3)).*

As noted in finding B5, the element requires a more detailed analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to add or expand programs to address and remove or mitigate any identified constraints.

4. *The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin color, familial status or disability (Section 65583(c)(5)).*

Policy 6.2 should describe the role of the Fair Housing Foundation of Long Beach in addressing fair housing complaints in La Verne. In addition, the element should include specific commitment to disseminate fair housing information throughout the City in a variety of public locations and to establish a process to refer or resolve fair housing complaints.

5. *Preserve for lower-income households the assisted housing developments identified pursuant to paragraph (8) of subdivision (a) (Section 65583(c)(8)).*

The element identifies 141 units at-risk of converting to market-rate uses in the planning period and includes Policy 1.5 to generally address preservation issues. However, Policy 1.5 does include a timeframe for action nor commit the City to any specific actions to address the potential loss of units. The element should include a program to strengthen relationships with the nonprofits listed on Table H-22 and

develop a strategy for quickly moving forward in the case units are noticed to convert to market-rate uses in the planning period. The program could also include a proactive tenant noticing and education strategy and commit to identifying funds that may be available to preserve the units. Additional information and resources are available at the California Housing Partnership Corporation (<http://www.chpc.net/>).

D. Public Participation

The element should describe the local government's diligent effort to achieve public participation of all economic segments of the community in the development of the housing element (Section 65583(c)).

While the element includes a description of the housing element working group process (page 11 and Appendix A), the element should also describe how the City has or will make a diligent effort to achieve the involvement of all economic segments particularly low or moderate-income households or organizations that represent them in the working group or update process. For example, the element should include information on how the working group workshops were advertised and which groups or organizations were invited to participate.