

**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



April 6, 2021

Pam Johns, Director
Community Development Department
City of Folsom
50 Natoma Street
Folsom, CA 95630

Dear Pam Johns:

RE: Review of the City of Folsom's 6th Cycle (2021-2029) Draft Housing Element

Thank you for submitting the City of Folsom's (City) draft housing element update received for review on February 11, 2021, along with revisions received on March 30, 2021. The California Department of Housing and Community Development (HCD) also received revisions on April 5, 2021 but did not consider these revisions due to timing in the review period. Pursuant to Government Code section 65585, subdivision (b), HCD is reporting the results of its review. Our review was facilitated by a conversation on March 25, 2021 with you; Scott Johnson, Planning Manager; Stephanie Henry, Planner; Chelsey Payne, consultant; Kim Untermoser, consultant and Rebecca Pope, consultant. In addition, HCD considered comments from Sacramento Housing Alliance and Legal Services of Northern California pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code).

1. *Affirmatively further 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: The element includes a variety of information and analysis related to affirmatively furthering fair housing, however, additional information is necessary to address this requirement, as follows:

Fair Housing Enforcement and Capacity: The housing element must include a summary of fair housing enforcement and outreach capacity. The analysis must address lawsuits and related enforcement actions, compliance with existing fair housing laws and regulations and fair housing enforcement and housing outreach capacity.

Local and Regional Trends and Patterns: The element describes regional trends and patterns related to persons by race but must analyze Folsom relative to the rest of the region regarding persons with disabilities, familial status, households by income and disproportionate housing needs, including overpayment, overcrowding and displacement risk. The element must also address local trends and patterns for fair housing enforcement and outreach, integration and segregation, racially and ethnically concentrated areas of poverty, disparities in access to opportunity and disproportionate housing needs, including displacement risks.

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.

Identifying and Prioritizing Contributing Factors to Fair Housing Issues: The element must be revised to evaluate and prioritize contributing factors to fair housing issues, including based on the outcomes of analysis described above. HCD will send examples under separate cover.

Sites Inventory: The element must identify and analyze whether sites are located throughout the community to affirmatively further fair housing.

Goals and Actions: 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 must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. HCD will send examples under separate cover.

2. *The City must make available on its website a current schedule of fees, exactions, and affordability requirements imposed by that city (Gov. Code § 65940.1(a)(1)(A)(i)).*

The City must comply with all transparency laws and post all fees on their website that would apply to a proposed housing development project. While the City confirmed that zoning requirements are available on the website, the housing element must also confirm fees are posted to the City's website.

3. *A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing (Gov. Code, § 65583, subd. (b)).*

While the element includes quantified objectives for new construction and rehabilitation (page 5-24), it must also add quantified objectives for conservation by income group, including extremely low-income households. Examples of programs that may be utilized include Programs H-18 and H-19.

4. *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).)*

Programs must be added or modified to achieve the goals and objectives of the housing element, including but not limited to:

Previous Program H-29 (Homeless Services): This program to coordinate with service providers and other entities was eliminated from the revised draft housing element; however, the element should include programs to coordinate and partner on a local and regional level to address the needs of persons experiencing homelessness.

Program 29 (Zoning Amendments): This program should be revised to establish a written procedure by a date certain to implement streamlined ministerial approval (SB 35, 2017) as noted on page 4-11.

Residential Mobile Home Zone: The element indicates zoning for mobile homes will be addressed as part of the zoning code update (page 5-4). As a result, the element should include a program to amend zoning as appropriate to facilitate conservation of mobile home parks by a date certain.

5. *Assist in the development of adequate housing to meet the needs of extremely low, very low, low-, and moderate-income households (Gov. Code, § 65583, subd. (c)(2)).*

Water and Sewer Priority: For your information, water and sewer service providers must establish specific procedures to grant priority water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.) If appropriate, the City must include a program to establish written procedures.

The element will meet the statutory requirements of State Housing Element Law once it has been revised to comply with the above requirements.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of May 15, 2021 for Sacramento Area Council of Governments (SACOG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit our website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf

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 must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate.

Specifically, HCD accepted revisions to the draft element on March 30, 2021, fairly late in the review period. The City must proactively make these revisions available to the public, including commenters on this review and diligently consider and address comments, including revisions to the document where appropriate. Consideration of comments must not be limited by HCD's findings in this review letter.

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 meets housing element requirements for these and other funding sources.

HCD appreciates your hard work and dedication and the efforts and cooperation Scott Johnson, Planning Manager; Stephanie Henry, Planner; Chelsey Payne, consultant; Kim Untermoser, consultant; and Rebecca Pope, consultant, provided in preparation of the City's housing element. If you have any questions or need additional technical assistance, please contact Hillary Prasad, of our staff, at Hillary.Prasad@hcd.ca.gov.

Sincerely,



Shannan West
Land Use & Planning Unit Chief