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

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May 23, 2022

Robert Dalquest, Director Development Services Department City of Upland 460 N. Euclid Ave Upland, CA 91786

Dear Robert Dalquest:

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

Thank you for submitting the City of Upland's (City) revised draft housing element received for review on March 24, 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 revised draft element addresses some statutory requirements described in HCD's November 22, 2021 review; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code) See enclosed Appendix.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision 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. 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.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), any rezone needed to accommodate the City's regional housing needs allocation (RHNA) must 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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City 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: <a href="https://www.opr.ca.gov/planning/general-plan/guidelines.html">https://www.opr.ca.gov/planning/general-plan/guidelines.html</a>.

We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact, Reid Miller of our staff, at <a href="mailto:Reid-Miller@hcd.ca.gov">Reid-Miller@hcd.ca.gov</a>.

Sincerely,

Paul McDougall

Senior Program Manager

Enclosure

# APPENDIX CITY OF UPLAND

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 <a href="http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml">http://www.hcd.ca.gov/community-development/housing-element-housing-element-memos.shtml</a>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <a href="http://www.hcd.ca.gov/community-development/building-blocks/index.shtml">http://www.hcd.ca.gov/community-development/building-blocks/index.shtml</a> and includes the Government Code addressing State Housing Element Law and other resources.

#### A. Review and Revision

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

<u>General</u>: While the draft element was revised to include some information on the effectiveness of programs from the previous element, it does not reflect the results in the current element. Table A1 must was revised to state when a program will be continued, but it must also provide an analysis of the effectiveness of each activity, and it must state what was learned from implementing the program in the previous element.

<u>Special Needs Populations</u>: The revised draft did not address this finding. Please see HCD's prior review.

#### B. 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).)

<u>Enforcement and Outreach</u>: While the element was revised to describe enforcement capacity, it must address compliance with existing fair housing laws as well as any past or current fair housing lawsuits, findings, settlements, judgments, or complaints.

Integration and Segregation: The revised element provided some data on integration and segregation, but additional information and analysis is needed. The element included data across racial groups and one map displaying income by census tracts, but it must discuss and analyze this data for trends over time and patterns across census tracts. Additionally, it must evaluate patterns at a regional level, comparing the City to the region. The element must also analyze integration and segregation for persons with disabilities both locally and regionally including patterns over time, availability of services, and concentrations within or

between census tracts. The element must also include an analysis of familial status including whether there are concentrations within the City and also provide a regional analysis. In addition, the element must analyze integration and segregation of income both locally and regionally as well as analyze the distinguished pattern provided in the map. Lastly, the element must integrate local data and knowledge into the analysis.

Racial/Ethnic Areas of Concentration of Poverty and Affluence (R/ECAP): While the revised element includes information relative to R/ECAP and concentrated areas of affluence, the combined R/ECAP and areas of affluence analyses should evaluate the patterns and changes over time at a local (e.g., neighborhood to neighborhood) and regional level (e.g., city to region). This analysis will help guide goals and actions to address fair housing issues. The element should also address the effects of the nearby R/ECAP. In addition, the element must provide a geographic analysis of concentrated areas of affluence both locally and regionally.

<u>Disparities in Access to Opportunity</u>: The revised element provides information on the disparities in access to opportunity through the TCAC opportunity maps but must also provide a complete local and regional analysis of patterns and trends for all components. A comprehensive analysis should include the local and regional disparities of the educational, environmental, and economic scores through local, federal, and/or state data. It should also analyze persons with disabilities as well as access to transit. Please refer to page 35 of the AFFH guidebook (link: <a href="https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance">https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance</a>) for specific factors that should be considered when analyzing access to opportunities as it pertains to educational, employment, environmental, transportation, and any factors that are unique to Upland. In addition, the element should analyze any overall patterns in disparities in access to opportunity within the City.

Disproportionate Housing Needs and Displacement Risk: While the revised element includes some information on all components of disproportionate housing needs (e.g., overpayment, overcrowding, substandard housing, and homelessness), analyses should evaluate the patterns and changes over time at a local (e.g., neighborhood to neighborhood) and regional level (e.g., city to region) for each of these components. The element must also provide an analysis of regional patterns and trends in relation to displacement risk. The element should include a regional analysis for overpayment as well as analyze local and regional concentrations of substandard housing. For overcrowding, the local analysis should include details on what contributes to overcrowding in certain areas of the City, how it relates to other fair housing factors, as well as a regional analysis. The analysis of persons experiencing homelessness should describe any demographics or characteristics for impacts on protected characteristics (e.g., race and disability) and access to shelter and services. Lastly, the element must analyze displacement risk both locally and regionally including displacement due to investment, disinvestment, and disaster driven displacement.

<u>Sites Inventory</u>: The analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that affects the existing patterns for all components of the

assessment of fair housing (e.g., segregation and integration, access to opportunity). The element should also discuss whether the distribution of sites improves or exacerbates conditions. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., anti-displacement and place-based community revitalization strategies).

<u>Contributing Factors to Fair Housing Issues</u>: The element mentions fair housing issues and goals and priorities from the City's Analysis of Impediments. However, these issues and goals do not appear to be rooted in any analysis related to Upland and do not appear adequate to facilitate the formulation of meaningful action to Affirmatively Furthering Fair Housing (AFFH). The element should re-assess and prioritize contributing factors upon completion of analysis and make revisions as appropriate.

Goals, Priorities, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. 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 specific commitment, 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.

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).)

Progress in Meeting the Regional Housing Need Allocation (RHNA): The City's RHNA may be reduced by the number of new units built since July 1, 2021. The element indicates (p. H-81) 921 approved units toward the RHNA but must also demonstrate their availability in the planning period. While the revised element lists the current status of these approved projects as "entitled," it should indicate whether projects will be built within the planning period.

<u>Sites Inventory</u>: The element was revised to list parcels by various factors such as size, zoning, general plan designation and existing use. However, the description of existing use must include sufficient detail to facilitate an analysis of the potential for additional development on nonvacant sites. For example, many sites that are listed as "vacant" and candidate sites for rezoning have existing uses (e.g., Site 90 has an existing use of "well site", Site 93 has a parcel with an existing use of "storage yard", and some sites list an existing use as "flood control"), but those uses are not sufficiently described nor analyzed to demonstrate additional development potential in the planning period.' While table B5 was revised to include current and proposed zoning, table B6 must also include this information.

<u>Realistic Capacity</u>: The element must provide analysis to support its stated realistic capacity assumptions. While the revised element provides some examples of recent

projects on pages H-56 and H-57 indicating that there are projects developing at densities of above the 80 percent capacity, only one of the projects listed have actually been built, and all the others are described as being in "preliminary conversations" regarding their development without application submittals. In addition, only two projects list buildout assumptions and none of the projects listed include levels of affordability. The estimate of the number of units for each site must be adjusted as necessary, based on the land use controls and site improvements, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities. The element must also analyze the likelihood that the identified units will be developed as noted in the inventory in zones that allow 100 percent nonresidential uses (e.g., mixeduse). Please see HCD's prior review.

<u>Suitability of Nonvacant Sites</u>: The element was not revised to meet these requirements. Please see HCD's prior review.

Sites Identified in Prior Planning Periods: As indicated in the prior review, the element must list which sites were identified in prior planning periods. In addition, while the revised element's Program 5 (Adequate Sites to Accommodate Regional Housing Needs) states that any nonvacant sites identified in previous planning periods will allow projects with 20 percent of its units affordable to lower income by-right, it gives no defined actions as to when or how this will occur. Sites identified in prior planning periods shall not be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within three years.

<u>Small Sites</u>: While Program 13 (Housing Incentives) has been revised to state that lot consolidation is "encouraged when developers initially approach the City with preliminary applications," the element was not revised to meet any of the other requirements listed in HCD's November 22, 2021 letter. Please see HCD's previous review.

<u>Availability of Infrastructure</u>: While the revised element states on page H-52 that dry utilities will be available to meet expanding need in planning period, the element does not specify what dry utilities it is referring to, nor whether all sites identified in the inventory will have access to them. The element must be revised to include this information.

<u>Environmental Constraints</u>: The element was not revised to meet the requirements stated in HCD's November 22, 2021 letter. Please see HCD's prior review.

## Zoning for a Variety of Housing Types:

- Accessory Dwelling Units: While the program does include a program to update the
  ordinance, the program should include the date of first review and revision since the
  ordinance is not consistent with state law.
- Emergency Shelters: While the element was revised to describe development standards for emergency shelters and update the parking requirements, however, the element must demonstrate the permit processing, development, and management standards for emergency shelters are objective and encourage and facilitate the development of, or conversion to, emergency shelters. In particular,

- the element describes development standards for emergency shelters, however these standards are beyond the development standards allowed under housing element law. The element must demonstrate that emergency shelters are subject to the same development and management standards applicable to residential or commercial development within the same zone except for those standards prescribed by Government Code section 65583 (a)(4)(A).
- Employee Housing: While the element was revised, Program 18 should clarify the conflicting information on page 21 and 40 regarding how the City will amend the zoning code to be consistent with the Employee Housing Act (Health and Safety Code, § 17000 et seq.), specifically, sections 17021.5 and 17021.6. Section 17021.5 requires employee housing for six or fewer employees to be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone.
- 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).)

Land Use Controls: While Program 7 was revised to eliminate the use permit for multifamily housing, the element must specify whether it is the administrative use permit, conditional use permit (CUP), or both that will be eliminated. In addition, while Program 18 addresses parking requirements for residential care facilities of six or fewer residents, it must also address the parking requirements for residential care facilities with seven or more residents. The element must also specifically address parking requirements for multifamily development (i.e., requiring garage spaces), for impacts on cost, supply, housing choice, and affordability and include programs to address identified constraints. Lastly, the element must specify whether 100 percent nonresidential uses are allowed in the mixed-use zones.

<u>Local Processing and Permit Procedures</u>: While the revised element added language in Program 7 (Reduce Potential Constraints to Housing Development) to remove use permit requirements for "conforming" Multifamily projects, the element was not revised to address any of the other issues mentioned in HCD's November 22, 2021 letter. Please see our prior review.

<u>Design Review</u>: While the revised element offers the "more pertinent" findings related to the design review process, it does not describe criteria and evaluation process as a whole, nor does it analyze the design review process as a potential constraint on housing development. The element must be revised to provide this analysis. In addition, Program 7 was revised to include the development of objective design standards, but the program must clarify which projects will be eligible for ministerial review (i.e., all single family and multifamily projects).

<u>Fees</u>: The element was not revised to meet the requirements outlined in HCD's November 22, 2021 letter. Please see HCD's prior review.

Zoning, Development Standards and Fees: Program 5 (Adequate Sites to Accommodate Regional Housing Needs) states that zoning, development standards and fees will be posted "throughout the planning period," but the program must provide an implementation date of when they will be initially posted and how often they will be updated.

<u>Streamlining Provisions</u>: While Program 5 was revised to add streamlining provisions by October 2022, the element must clarify that the City will comply with Government Code section 65913.4.

<u>Definition of Family</u>: Program 18 (Housing for People with Disabilities or Other Special Needs) was revised to state it will revise the definition of family to be "in compliance with state housing law" but does not specify what it needs to change or how it will change it. The element should be revised to provide this information as well as remove the ambiguous language "as necessary" to ensure constraint will be revised.

Constraints on Housing for Persons with Disabilities: Program 17 (Administrative Capacity) states it will review and amend zoning to come into compliance with state law on group homes of seven or more, it does not analyze why its zoning code out of compliance in the first place, nor does it analyze it as a constraint on housing for persons with disabilities. It also does not state when it expects to complete the review and revision process. The element must be revised to provide this information. For your information, zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations such as the number of persons, population types and licenses. These housing types should not be excluded from residential zones, most notably low-density zones, which can constrain the availability of housing choices for persons with disabilities. Requiring these housing types to obtain a special use or CUP could potentially subject housing for persons with disabilities to higher discretionary standards where an applicant must demonstrate compatibility with the neighborhood, unlike other residential uses. The element must commit to address CUP requirements and allow group homes for seven or more residents in all residential zones.

4. An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including.....requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and 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).)

<u>Developed Densities and Permit Times</u>: Page H-47 of the revised element states there have been no requests to develop at densities "substantially" lower than anticipated and was revised to state that the time between approval and submitting an application for building permits can vary widely. However, the element should be revised with information

and analysis to support these statements. See HCD's November 22, 2021 review for additional information.

5. Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)

<u>Special Housing Needs</u>: the element was not revised to meet this requirement. Please see HCD's prior review.

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. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).).

While the element was revised regarding the date of expiration for listed properties and the addition of qualified entities, the element does not identify specific funding sources that can be used to preserve the affordability.

### C. Housing Programs

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

To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

<u>Program 2 (HOME Improvement)</u>: While the program was revised to add some general outreach through the City's website and word of mouth, the program should include proactive outreach to developers annually.

<u>Program 3 (Emergency Repairs for Homeowners)</u>: While the program was revised to provide outreach via word of mouth and annually through a newsletter, the program should include proactive outreach to developers annually.

<u>Program 6 (Specific Plans)</u>: While the timeframe was changed in the objective, the overall program timeframe should include a specific timeline.

<u>Program 9 (Water Priority System)</u>: The element must revise the timeframe from ongoing and clarify whether the program is already in place with the adoption of the housing element.

<u>Program 10 (Neighborhood Improvements)</u>: The timing of the overall program still lists ongoing and must be revised.

<u>Program 13 (Housing Incentives)</u>: While the program was revised to provide a specific timeframe, it must outline the lot consolidation requirements. In addition, it must commit to proactive outreach and list incentives that the City will implement.

<u>Program 14 (Mobile Home Rent Stabilization)</u>: The program is currently listed as dependent on litigation. The program must clarify the timeframe and include back-up implementation actions to take with a set timeframe depending on the litigation results.

<u>Program 17 (Administrative Capacity)</u>: This program must be revised to add specific timing of implementation as well as a more detailed plan of implementation.

2. 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 B3, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were 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 should be revised as follows:

The element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA. While the element includes Program 5 (Adequate Sites to Accommodate Regional Housing Needs), it must specifically commit to acreage, allowable densities, and anticipated units.

In addition, if necessary, to accommodate the housing needs of lower-income households, the program should specifically commit to rezoning pursuant Gov. Code, § 65583.2, subd. (h) and (i). Specifically, the program must commit to:

 permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower income households. By-right means local government review must not require a CUP, planned unit development permit, or other discretionary review or approval.

- accommodate a minimum of 16 units per site;
- require a minimum density of 20 units per acre; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or on sites zoned for mixed uses that accommodate all of the very low and low-income housing need, if those sites:
  - o allow 100 percent residential use, and
  - require residential use occupy 50 percent of the total floor area of a mixed-use project.

Finally, As noted in Finding B3, the element must add or modify programs based on the outcomes of a complete analysis to address the suitability of small sites towards the RHNA for lower-income households. While Program 13 mentions lot consolidation, it does not describe incentives or other methods to encourage affordable development on small lots or demonstrate suitability of small sites towards the RHNA for lower-income households.

3. The Housing Element shall contain programs which 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).)

While Program 18 states that it will assist in developing housing for persons with special needs including extremely low-income households, the program must commit to specific timing of when the incentives will be implemented, and also include quantifiable objectives for the program.

4. 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).)

As noted in Finding(s) B4 and B5, 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 and address and remove or mitigate any identified constraints.

5. 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 B1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. While the element revised Program 19 (Fair Housing Program) to add a few additional actions, it is not clear how the additional actions are tied to the contributing factors and whether they

will provide meaningful change throughout the planning period. Goals and actions must create meaningful impact to overcome contributing factors to fair housing issues and actions must have specific metrics and milestones. In addition, the program should be updated to commit to implementing all community development and fair housing programs in a manner that AFFH pursuant to Government Code section 8899.50.

In addition, currently the element only addresses AFFH in Program 19. The element should revise other program actions to address the City's obligation to AFFH including how programs address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection. The programs must also include metrics and milestones for evaluating progress on programs, actions, and fair housing results.

6. The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)

While Program 15 (Housing at Risk of Conversion) was revised to include an implementation date for outreach, it must still include actions to incorporate State preservation notice law (Government Code section 65863,10, 65863.11, and 65863.13) to inform the property owners of their responsibilities to tenants beginning three years before the property's potential conversion to market-rate.

7. Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent, as defined in Section 50053 of the Health and Safety Code, for very low, low-, or moderate-income households. For purposes of this paragraph, "accessory dwelling units" has the same meaning as "accessory dwelling unit" as defined in paragraph (4) of subdivision (i) of Section 65852.2. (Gov. Code, § 65583, subd. (c)(7).)

While Program 8 (Accessory Dwelling Units) was revised to add general language regarding incentives and strategies for accessory dwelling units (ADUs), the element must describe incentives and strategies that will be provided if ADU production goals (both number and affordability) are not met. In addition, the program must include specific timing to implement the additional incentives and strategies if needed. The program must include a description of activities and incentives to encourage ADU construction and affordability.

#### D. Quantified Objectives

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 provides a summary of quantified objectives on page H-74. While the number of units being preserved in the planning period was revised, it must be listed by income category.

#### E. 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)(9).)

While the element was revised to include a list of stakeholders that were contacted, the element must describe specific outreach to lower-income and special needs groups. The element must describe future methods for additional public outreach efforts in the future to include lower-income and special needs households. The element must also clarify if translation services were available. The City must also confirm that the element was available for public comment prior to submitting the second draft to HCD for review. Lastly, the element must expand on the brief summary of public comments received on page H-3, and describe how they were considered and incorporated into the element.