

Attachment: Response to March 10, 2023 HCD Comments on Union City Draft Housing Element

On March 10, 2023, the City of Union City (City) received a comment letter from the California Department of Housing and Community Development (HCD) on the Revised HCD Review Draft Housing Element which was submitted to HCD on January 30, 2023. The City reviewed these comments, revised the document, and prepared the Second Revised HCD Review Draft Housing Element (Housing Element), which is available for review on the City's website <https://www.unioncity.org/604/Housing-and-Safety-Element-Update>.

This latest version of the Housing Element carries over track change revisions made in the January 2023 Draft Housing Element and shows new revisions in yellow highlighted text. To help the reader track the latest revisions, this attachment to the Housing Element outlines the comments from HCD's March 2023 letter with responses from the City describing how and where comments were addressed in the Second Revised HCD Review Draft Housing Element.

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).)

HCD Comment 1: Identified Sites and Affirmatively Furthering Fair Housing (AFFH):

While the element was revised to include some general discussion regarding the sites inventory and AFFH, it generally concludes the inventory does not exacerbate fair housing conditions despite isolation of the regional housing needs allocation (RHNA) in a few areas. To better guide this analysis, the element should provide quantification and an evaluation of impact by location or area (e.g., neighborhoods, planning areas, sections of the City, census tracts) relative to AFFH components (e.g., race, income, access to opportunity, overpayment, displacement). The analysis should quantify the lack of RHNA in some areas versus other areas then discuss whether sites improve or exacerbate conditions and whether the RHNA is isolated by income group. Based on the outcome of this analysis, the element should add or modify programs to promote equitable quality of life throughout the community (e.g., housing mobility and place-based community revitalization strategies). HCD will send sample language under a separate cover.

Response 1: Added to the Assessment of Sites Inventory and Fair Housing section, beginning on page 4-55 (Summary Analysis of Sites Inventory), to quantify, evaluate, and summarize the sites inventory capacity relative to fair housing indicators by census tract. The analysis describes that the city has several physical constraints that present unique challenges in developing the sites inventory and planning for future growth which is why the RHNA is largely located on the eastern side of the city with several additional sites located near the Historic Alvarado District.

HCD Comment 2: Goals, Priorities, Metrics, and Milestones: Based on a complete analysis, the element may need to revise or include additional programs to address fair housing issues. Actions must have specific commitment, milestones, geographic targeting and metrics or numerical targets and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in higher opportunity or relatively higher income areas, place-based strategies for community revitalization and displacement protection. In addition, the City should also evaluate the effectiveness of AFFH policies and programs at the mid-term

of the planning period and add or modify programs as appropriate.

Response 2: The additional analysis to evaluate the sites inventory capacity relative to fair housing indicators by census tract reinforced the findings already made in the analysis and the City provided additional details on how the programs included in the Housing Element address the findings of the fair housing assessment of sites. The City will evaluate the effectiveness of all its implementation programs as part of the annual progress report process. Because most of the AFFH programs, outlined in Chapter 9 (Goals, Policies, and Programs), are ongoing and/or have timeframes before the mid-term of the planning period (2026), the City will evaluate the effectiveness of programs as part of the normal program implementation process and will course correct as needed.

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

HCD Comment 3: Small Sites: The element was revised to describe common ownership for several adjacent parcels (pp. 3-9). However, the element should list the acreage for each individual parcel and clarify which parcels have common ownership (e.g., sites LM-6, LM-9, LM-10, and LM-13). In addition, the element should describe any recent trends of similarly consolidated sites, including resulting affordability. The element should explain the conditions or circumstances potentially leading to consolidation on a site basis such as common access, cohesiveness of the consolidated site, necessity for economic or physical feasibility and viability of existing uses across parcels. For example, Site LM-10 appears to have a much smaller parcel that is cohesively part of the larger site and might have less economic feasibility if not consolidated. Site LM-6 appears to have a parcel that might have difficult access if not consolidated. Finally, based on the outcomes of this analysis, the element should add or modify programs to establish incentives (e.g., density bonuses) and promote lot consolidation.

Response 3:

- Clarified in the Methodology and Assumptions for lower-income sites section (page 3-9) that all sites in the inventory with multiple parcels are under common ownership, and that lot mergers are processed ministerially as part of the project approvals process.
- Clarified in the site profiles (beginning on page 3-25), which parcels have common ownership, and the condition/circumstances that justify the lot consolidation assumptions used.
- Listed the acreages for each individual parcel in Table 3-6 (Vacant and Underutilized Sites) and in relevant site profiles, beginning on page 3-25.
- Added site characteristic information to Table 3-5 (Examples of Recent Housing Developments) to show trends of lot consolidation occurring in recent residential development projects.
- Added back in the lot consolidation program from a prior Housing Element draft, with some revisions. Program HE-1.J (Facilitate Site Consolidation) states that the

City will work with property owners on the consolidation of parcels in the Housing Element sites inventory to facilitate the development of sites for affordable housing, particularly sites LM-3, LM-6, LM-9, LM-13, and LM-15.

HCD Comment 4: Suitability of Nonvacant Sites: The element was revised to include some factors that were considered to evaluate the suitability of nonvacant sites and gives a few examples of recent housing developments (pp. 3-12 to 3-15). However, the element should relate the recent trends to the factors to support their validity. For example, the element could expand the description of prior uses (Table 3-5) to include transit-oriented development, structure age and condition, low floor area, and improvement to land value). In addition, the element should evaluate the extent existing uses impede additional development or describe indicators that the properties will turnover in the planning period such as property owner or developer interest, expiring leases, vacancy, marginal operations, lack of improvements, similarity to other redeveloped properties or lack of market demand for the use. The analysis should specifically address Sites LM-2, LM-6, LM-7, LM-8, LM-9, LM-14 and LM-15.

In addition, the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. For your information, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the regional housing need allocation.

Response 4: Updated Table 3-5 (Examples of Recent Housing Developments) and referenced applicable non-vacant site factors (page 3-13) present for each of the recent (2012-2022) housing developments to support the validity of the non-vacant site factors used in the sites inventory methodology.

HCD Comment 5: Programs: As noted above, 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 encourage a variety of housing types.

In addition, the element revised Program HE-1.C (Restoration Site), HE-1.E (Gateway Site) and HE-2.G (Housing Authority Site), but should revise Program HE-2.C (Monitor Publicly Owned Land) to identify alternative sites within a specified time if the publicly owned sites are not developed as anticipated.

Response 5: Revised Program HE-2.C (Monitor Publicly Owned Land) to clarify that if the publicly owned sites included in the sites inventory are not developed with the anticipated number of lower- or moderate-income units or within two years of the specified timeframe (see Programs HE-1.C and HE-1.E), the City shall make no net loss findings or find replacement sites consistent with Government Code Section 65863.

3. *Local governments shall make a diligent effort to achieve public participation [of] all segments of the community in the development of the Housing Element and the element shall describe this effort. (Gov. Code, § 65583, subd.(c)(9).)*

HCD Comment 6: While the City made one minor revision to include “lowering housing rental and sales prices” to the list of top suggested strategies to prioritize (pp. 1-10), it should still

employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households and neighborhoods with higher concentrations of lower-income households. For more information, please see HCD's prior review.

Response 6: Added Program HE-6.E (Community Engagement and Capacity Building) which outlines how the City will work to increase awareness and build capacity among historically underrepresented populations by targeting outreach and community engagement efforts to reach residents with the greatest need. The City shall look for opportunities to expand its outreach and public education on available housing services and programs to reach vulnerable and at-risk households through a variety of methods including offering information in other languages, getting feedback from residents, and partnering with local service providers and religious facilities to disseminate information.

HCD Comment 7: Chapter 654, Statutes of 2022 (AB 2339), adds specificity on how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. Future submittals of the housing element may need to address these statutory requirements. For additional information and timing requirements, please see HCD's memo at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf>.

Response 7: Revised Program HE-7.A (Zoning Ordinance Amendments for Special Needs Housing) to identify a residential or mixed-use zone where emergency shelters are allowed by-right and to ensure the identified zone has available sites with capacity to accommodate at least 489 shelter beds, using the methodology outlined in Government Code section 65583 subdivision (a)(4).