

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

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November 23, 2022

Nick Liguori, Director
Development Services
City of Chino
13220 Central Avenue
Chino, CA 91710

Dear Nick Liguori :

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

Thank you for submitting the City of Chino's (City) revised draft housing element update received for review on September 27, 2022. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The revised draft housing element addresses many statutory requirements described in HCD's April 18, 2022 review; 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...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).)

Disparities in Access to Opportunity: The element includes some basic information regarding disparities in access to opportunity but must still address disparities in access to educational opportunities. The analysis should address patterns of differences within the City and may utilize HCD's Data Viewer.

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): While the element includes some general descriptions of four planning quadrants (p. 3-121), it must also provide some quantification and analysis of the impacts of identifying the Regional Housing Needs Allocation (RHNA) by income group in each of these quadrants, including any isolation of the RHNA by income group. Then, the element

should discuss whether identified sites exacerbate or improve fair housing conditions and add or modify programs as appropriate to promote inclusive communities.

Programs: The element includes many meaningful actions to AFFH. However, in most cases, these actions should also include geographic targeting and metrics or numerical outcomes. In addition, the element should add programs for place-based strategies for community revitalization and displacement protection. HCD will send sample program approaches under separate cover.

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

Realistic Capacity: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Suitability of Nonvacant Sites: While the element now includes some general information of existing uses and conclusions that there is potential for redevelopment on a site basis (Table B-5), it must still demonstrate the potential for redevelopment based on market and development trends and an evaluation of the extent existing uses impede additional development. For example, the element could identify typologies (e.g., predominantly vacant, older commercial use) and demonstrate the validity of these typologies using recent trends and an evaluation of existing uses. HCD will send examples under separate cover.

In addition, as noted in HCD's prior review, the element currently identifies vacant sites intended to accommodate slightly more than 50 percent of the lower-income RHNA. For your information, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, it 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 RHNA. If this ratio changes, the City may need to make findings as part of any future re-adoption.

Small and Large Sites: The element generally was not revised to address this requirement. Please see HCD's prior reviews for additional information.

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 address a shortfall of sites or zoning available to encourage a variety of housing types. In addition, the element should be revised as follows:

- *Programs 3B (Affordable Housing Overlay) and 3C (Mixed Use Overlay)*: These Programs now explain the recent passage of Measure Y that authorizes rezoning to accommodate the RHNA. However, as noted in prior reviews, the Programs must still address all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). In addition, the Programs should identify the shortfall and acreage to be rezoned, clarify access to infrastructure and describe anticipated development standards. Since the overlays still allow uses under the base zoning, the Programs should commit to sufficient incentives (beyond State Density Bonus Law) to assure the intended uses.
 - *Program 2H (Transitional and Supportive Housing)*: Zoning must permit transitional and supportive housing as a residential use and not subject to special requirements. In addition, permanent supportive housing generally must be permitted without discretionary actions in zones allowing multifamily uses. HCD's prior review found the element must demonstrate zoning in compliance with permanent supportive housing requirements pursuant to Government Code section 65651. In response, Program 2H conflates these requirements and the potential outcome is unclear. Program 2H should clearly amend zoning to meet both requirements, separately and in addition to each other.
3. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including 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).)*

Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing... (Gov. Code, § 65583, subd. (c)(3).)

Approval Time: As noted in HCD's prior review, the element must still identify and analyze the length of time between receiving approval for a housing development and submittal of an application for building permits and add or modify programs, as appropriate based on the outcomes of the analysis.

Program 3I (Measure M): As noted in the prior review, while the element now notes Measure Y authorizes rezoning for the RHNA, it must also include actions to address Measure M as a constraint on development (regardless of RHNA).

The element will meet the statutory requirements of State Housing Element Law once it has been revised and adopted to comply with the above requirements, including completion of rezonings as described below.

As a reminder, the City's 6th cycle housing element was due October 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described above, adopt, and submit to HCD to regain housing element compliance.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones to make prior sites available or accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c) (1) (A) and Government Code section 65583.2, subdivision (c) are completed. As this year has passed and Programs 3B (Affordable Housing Overlay), 3C (Mixed Use Overlay) and 3F (Sites Used in Previous Housing Elements) have not been completed, the housing element is out of compliance and will remain out of compliance until the rezonings have been completed.

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. 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.

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.

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: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the hard work and dedication of The City's housing element team in preparation of the City's housing element. If you have any questions or need additional technical assistance, please contact Reid Miller, of our staff, at Reid.Miller@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