

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

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February 14, 2022

Leighann Moffitt, Director
Department of Planning and Environmental Review
County of Sacramento
827 7th Street, Room 225
Sacramento, CA 95814

Dear Leighann Moffitt:

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

Thank you for submitting the County of Sacramento's (County) revised draft housing element received for review on December 16, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a conversations on February 7 and February 9, 2022 with Leanne Mueller, Todd Smith, Kristina Grabow, and consultant Chelsey Payne. In addition, HCD considered comments from Sacramento Housing Alliance pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses many statutory requirements described in HCD's October 28, review; however, additional revisions will be necessary to 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. The program shall include an assessment of fair housing... (Gov. Code, § 65583, subd.(c)(10)(A).)*
 - *Sites Inventory and Affirmatively Furthering Fair Housing (AFFH):* The element analyzed the existing sites identified for lower-income households as perpetuating existing patterns of segregation and disproportionate need. As a result, it identified that 20 percent of the sites to be rezoned for lower-income households will be in moderate or high opportunity areas. Based on the analysis of perpetuating fair housing issues in the sites inventory, the housing element should be revised to identify at least 30 percent of the rezone sites in moderate and high opportunity areas to improve each of the fair housing issue areas.

- *Goals and Actions:* While the element was revised to include Table 70, goals and actions in the program section must explicitly address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community and revitalization and displacement protection. For example, some programs should explicitly AFFH by targeting lower resource neighborhoods or target housing opportunities higher opportunity areas, including metrics and milestones to target meaningful outcomes and for evaluating progress on programs, actions, and fair housing results. Examples of programs that can be revised to include geographic focus include A6 (Infill Program), C2 (Financial Assistance for Emergency Repairs and Retrofitting of Homes), C8 (Seek and Attain Funding for Improved Public Infrastructure), D3 (Incentives for Senior Housing), D10 (Tiny Homes), E4 (Housing Incentive Program), E5 (Mortgage Credit Certificate Allocations), E6 (Down Payment Assistance and Homebuyer Education and Counseling), E9 (Accessory Dwelling Unit Promotion and Compliance), and F3 (Implement PACE). While programs E5 and E6 currently focus on environmental justice communities, the programs can also be targeted to other areas of high need. Finally, the County should consider input from comments on this review and revise programs as appropriate.

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 completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of 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).)

Large Sites: Sites larger than ten acres in size are deemed inadequate to accommodate housing for lower-income households unless analysis demonstrates their suitability. While the element provided information on the adequacy of these sites, it must describe the phasing of the master plans, the buildout timeline for Glenborough at Easton and the potential for availability in the

planning period, as well as affordability assumptions for the sites identified in Vineyard, North Highlands, and Antelope in Table C-27.

In addition, Program A8 (Facilitate Affordable Housing on Large Sites) should be revised based on the outcomes of this analysis and must include specific commitment and timing to establish and implement mechanisms to develop housing affordable to lower-income households on large sites.

Zoning for a Variety of Housing Types (Accessory Dwelling Units (ADUs)): While the element revised program E9 to update the County's ADU ordinance, it must provide a specific implementation date of when the update will be completed.

Electronic Site Inventory: As noted in the prior review, pursuant to Government Code section 65583.3, subdivision (b), the County must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory and submit an electronic version of the sites inventory. While the County has submitted an electronic version of the sites inventory, if changes occur, any future re-adopted versions of the element must also submit the electronic version of the sites inventory.

3. *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).)*

Assist in Development: The element was not revised to address the finding. Please see HCD's October 28, 2021 review for additional information.

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.

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

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the County should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate. For example, HCD received several meaningful comments related to program from commenters on this review. The element should be revised to address those comments, including revising programs.

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 County will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and dedication of Leanne Mueller, Todd Smith, Kristina Grabow, and consultant Chelsey Payne during the review. We are committed to assist the County in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Hillary Prasad, of our staff, at HillaryPrasad@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager