

**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



May 5, 2023

William R. Smith, City Manager
City of Colton
650 N La Cadena Drive
Colton, CA 92324

Dear William R. Smith:

RE: City of Colton's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Colton's (City) housing element adopted which was January 4, 2022, revised February 17, 2023 as permitted by Resolution No. R-04-22, and received for review on March 8, 2023. 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 adopted housing element addresses some statutory requirements described in HCD's March 18, 2022 letter; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code), see enclosed Appendix. The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

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.

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 accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) are completed. As this year has passed and Program 10 (Mixed-Use Development), Program 11 (Rezoning Sites), and Program 18 (By-Right Approval of Projects with 20 Percent Affordable Units on "Reused" regional housing needs allocation (RHNA) Sites) have not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning 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 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. This includes revisions made to the adopted housing element. 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, 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>.

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 the assistance the City's housing element team provided during the course of our review. 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 Reid.Miller@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy
Proactive Housing Accountability Chief

Enclosure

APPENDIX CITY OF COLTON

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 <https://www.hcd.ca.gov/planning-and-community-development/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks> 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).)

Special Needs Populations: The element was not revised to address this finding. As noted in HCD's March 8, 2022 review, the element must evaluate the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female-headed households, farmworkers, and persons experiencing homelessness).

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))*

Enforcement and Outreach: While the element was revised to include some services offered by the Inland Fair Housing and Mediation Board (IFHMB), it must still provide a description of fair housing enforcement and outreach capacity as it relates to the ability of the City and fair housing entities like the IFHMB to disseminate information related to fair housing.

Integration and Segregation: The element was not revised to meet this requirement. Please see HCD's March 8, 2022 review.

Racial/Ethnic Areas of Concentration of Poverty: While the element provides some information on the Regional and Ethnic Concentrations of Poverty (RE/CAP) and Regional and Ethnic Concentrations of Affluence (RE/CAA) within the City, no additional analysis of these concentrations is provided. As noted in HCD's March 8, 2022 review, analysis

should evaluate the patterns and changes over time and consider other relevant factors, such as public participation, past policies, practices, and investments and demographic trends. The combination of RE/CAP and RE/CAA analyses will help guide goals and actions to address fair housing issues

Access to Opportunity: While some local data and knowledge has been added to the sections on educational opportunities (Appendix pg. 57) and access to transit (Appendix pg. 63), the element generally was not revised to meet this requirement. Please see HCD's March 8, 2022 review.

Disproportionate Housing Needs and Displacement Risk: While the element was revised to include data and analysis on overcrowded households and cost-burdened households, it must still analyze data on substandard housing conditions and homelessness, including evaluating spatial trends, patterns, and other local knowledge, and conclude with a summary of issues. The element must still also include analysis and conclusions on displacement risk.

Contributing Factors: While the element was revised to provide contributing factors for the City; the factors provided are generic and do not appear to be informed by local knowledge. Additionally, while the element was revised to prioritize contributing factors, all contributing factors are classified as "high" priority, essentially rendering prioritization moot. The element must be revised to provide an analysis of contributing factors specific to the City based on local data and knowledge, and must prioritize based on this analysis. Please see HCD's March 8, 2022 review for additional information and resources.

Goals, Priorities, Metrics, and Milestones: Based on the outcomes of a complete analysis, the element must be revised to add or modify goals and actions. In addition, the element must demonstrate how goals and actions specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues. Timelines must also have specific milestones and appropriate metrics sufficient enough to demonstrate measurable progress in addressing fair housing issues. Actions must be significant and meaningful enough to overcome identified patterns and trends should 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).)*

Capacity: While the element includes information supporting the expected yield, it must still analyze the likelihood of identified units will be developed in zones that allow 100 percent nonresidential.

Small Sites: While the element has been revised to state that lots smaller than half an acre will be consolidated and that the City has experience developing lot consolidation projects, the element does not provide evidence or analysis of these past consolidation projects, nor does it state if sites are under common ownership. The element should relate these examples to the sites identified to accommodate the RHNA for lower-income households to demonstrate that these sites can adequately accommodate the City's lower-income housing need.

Suitability of Nonvacant Sites: While the element has been revised to provide some common factors of nonvacant sites that have redeveloped as residential uses in the City, these example sites and corresponding factors are not compared to sites in the inventory and provide no evidence that they were developed at similar densities and affordability levels as what is expected from the sites in the inventory. Additionally, the analysis does not address how existing structures will be an impediment to development, nor does it specify if there is a replacement program for sites with existing single-family structures

Environmental Constraints: While the element was revised to relate environmental constraints such as very high fire hazard severity zones and flood plains to identified sites and describe how these constraints could impact housing development on identified sites in the planning period, it does not state how many sites in the inventory are affected. Based on this completed analysis, the element should also describe mitigation measures for housing anticipated located in very high fire hazard severity zones or on flood plains.

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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). (Gov. Code, § 65583, subd. (a)(5).)*

Land-Use Controls: While the element was revised to include some additional allowed uses and development requirements for residential zones, it does not address requirements outlined in HCD's prior reviews. The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. For example, the element must describe and analyze the development standards within the residential overlay zone, the maximum height limit of 2.5 stories. In addition, the analysis must also evaluate the cumulative impacts of land use controls on the cost and supply of housing, including the ability to achieve maximum densities.

Fees and Exaction: While the element was revised on Appendix pg.118 to provide the cost of fees for multifamily, single family and ADU development, it does not analyze these fees as potential constraints on housing supply and affordability. For example, the analysis

could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing.

Local Processing and Permit Procedures: While the element was revised to provide some description of processing procedures for smaller projects and larger projects, the element largely does not address this requirement. As noted in HCD's March 8, 2022 review, the element must describe and analyze the City permit processing and approval procedures for multifamily rental housing and single-family housing and must evaluate the processing and permit procedures' impacts as potential constraints on housing supply and affordability.

Constraints on Housing for Persons with Disabilities: The element was not revised to meet this requirement. The element must still describe the City's reasonable accommodation procedure and evaluate its impacts, including identifying and analyzing findings of approval. In addition, while element was revised to state group homes of seven or more will be allowed in multifamily zones through Program 26 (Group Homes), group homes of seven or less must still be allowed in all residential zones. The element should be revised to commit Program 26 to permit group homes must be in all residential zones regardless of size. For further information, please see HCD's Group Home Technical Advisory at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>.

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 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).)*

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:

Program 2 (Appropriate Development Standards): Provides a general timeline stating all activities will be completed by March 2024, a date of expected completion must be included for each activity in the program. Greater description should also be provided stating exactly what each activity comprises.

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 B2, 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:

Program 10 (Update Zoning Standards): As stated in previous reviews, Program 10 should identify the number of acres to be rezoned to address the shortfall of sites to accommodate the remaining RHNA for lower income.

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).)*

Program 13 (Facilitate Housing Development for Lower-Income Households and Persons with Special Needs): While the element was revised to provide some additional detail regarding a "feasibility study", it must still provide details for each action that will or will not be taken as a result of this study. Additionally, the element should still describe if the availability of incentives are already available or if the City must still develop a policy or procedure to provide the incentives and expedite processing for projects with units affordable to extremely low-income households.

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 B3, the element requires a complete analysis of potential 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 protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element requires a complete affirmatively furthering fair housing (AFFH) analysis. Depending upon the results of that analysis, the City may need to revise or add programs.

D. 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).)

The element was not revised to meet this requirement. The element must still describe how all economic segments were involved, specifically lower-income households and special needs group. The element could describe the efforts to provide translation services and to circulate the housing element among low- and moderate-income households and organizations that represent them and to involve such groups and persons in the element throughout the process. In addition, the element should also summarize the public comments and describe how they were considered and incorporated into the element.