

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

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July 13, 2021

Pierre Rivas  
Development Services Department  
City of Placerville  
3101 Center Street  
Placerville, CA 95616

Dear Pierre Rivas:

**RE: Review of the City of Placerville's 6<sup>th</sup> Cycle (2021-2029) Draft Housing Element**

Thank you for submitting the City of Placerville's (City) draft housing element received for review on May 14, 2021. Our review was facilitated by several conversations with you and City staff. 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 draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

As a reminder, the City's 6<sup>th</sup> cycle housing element was due May 15, 2021. As of today, the City has not completed the housing element process for the 6<sup>th</sup> cycle. The City's 5<sup>th</sup> cycle housing element no longer satisfies statutory requirements. HCD encourages the City to make revisions to the element as described herein, adopt, and submit to HCD to regain housing element compliance.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of May 15, 2021 for Sacramento Area Council of Governments (SACOG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: [http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375\\_final100413.pdf](http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf).

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.

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. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

[http://opr.ca.gov/docs/OPR\\_Appendix\\_C\\_final.pdf](http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf) and

[http://opr.ca.gov/docs/Final\\_6.26.15.pdf](http://opr.ca.gov/docs/Final_6.26.15.pdf).

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 Irvin Saldana, of our staff, at [Irvin.Saldana@hcd.ca.gov](mailto:Irvin.Saldana@hcd.ca.gov).

Sincerely,

A handwritten signature in black ink that reads "Shannan West". The signature is written in a cursive, flowing style.

Shannan West  
Land Use & Planning Unit Chief

Enclosure

## APPENDIX CITY OF PLACERVILLE

The following changes would bring Placerville'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 [www.hcd.ca.gov/hpd](http://www.hcd.ca.gov/hpd). Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <http://www.hcd.ca.gov/community-development/building-blocks/index.shtml> and includes the Government Code addressing State Housing Element Law and other resources.

### A. Review and Revise

*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).)*

The element reviews the 5<sup>th</sup> cycle programs but does not provide a specific review for programs regarding the effectiveness of the 5<sup>th</sup> cycle programs for meeting the community's special housing needs. An analysis must be provided for the cumulative impact of the previous housing element's programs to address the housing needs of special needs populations. The element should specifically evaluate programs targeted for special needs populations and provide a narrative analysis.

### B. Housing needs, Resources, and Constraints

1. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projects needs for all income levels, including extremely low-income households (Section 65583(a)(1)).*

While the element quantifies existing and projected extremely low-income (ELI) households, it must also analyze their housing needs. The analysis of ELI housing needs could consider tenure and rates of overcrowding and overpayment. To assist the analysis, see the enclosed data and sample analysis at <http://www.hcd.ca.gov/community-development/building-blocks/housing-needs/extremely-low-income-housing-needs.shtml>.

2. *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).)*

Farmworkers: The housing element must quantify and analyze the housing needs of farmworkers. While the element includes a general discussion, it must still include complete information to guide an appropriate analysis. Specifically, the element must identify and analyze farmworkers in the City using local data and include county and regional data for seasonal and permanent farmworkers (e.g., USDA data).

Families and Persons in need of Emergency Shelter: The element must include a current local estimate of the number of homeless individuals and families in need of emergency shelter. The need for emergency shelters must be based on annual and seasonal need. Information regarding homeless individuals and families within the community can be found by contacting the local Continuum of Care or service provider, such as El Dorado Opportunity Knocks. When possible, the estimate should be divided into single males, single females, and families (one or more adults with children) as the shelter needs of each subgroup differ significantly. For additional information, see the *Building Blocks* at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/zoning-for-variety-housing-types.shtml>.

3. *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 (AFFH) 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).)*

The element includes a variety of information and analysis related to AFFH; however, additional information is necessary to address this requirement, as follows:

Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (R/CAA): According to the U.S Department of Housing and Urban Development, Placerville does not have any block groups that qualify as a R/ECAP. However, analysis on R/ECAPs on a regional level and R/CAAs, if applicable, on a local and regional level must still be provided.

Integration and Segregation: The element currently has some information on race, disability, familial status, and income; however, the element should be revised to include a complete analysis of these four categories on a local and regional level. For example, the element covers race and income on a local level but fails to provide adequate analysis on a regional level. Additional data and analysis should help identify trends and patterns that lead to additional contributing factors or programs and policies.

Access to Opportunity: The element provides a complete analysis on education, employment, and transportation on a local level; however, the element does not provide information on these topics at a regional level. In addition, the element must provide analysis on environmental factors and their impacts on the City. This analysis should include a local and regional component. Once complete, the analysis should guide additional contributing factors.

Disproportionate Housing Needs: The element currently includes a light analysis on overpayment and overcrowding. However, the analysis should expand on overcrowding and overpayment on both a local and regional level while also providing information on displacement. This could include analyzing displacement based on investment or disinvestment, homelessness, and substandard housing on a local and regional level. Lastly, the element should assess if there are patterns of disproportionate housing needs related to protected groups throughout the City.

Goals and Actions: The element must be revised to add or modify goals and actions based on the outcomes described above. Goals and actions must specifically respond to the analysis and identify and prioritize contributing factors to fair housing issues. Actions must have metrics and milestones as appropriate and address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

4. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Realistic Capacity: The element assumes a realistic development capacity of 75 percent of the total allowed maximum density. While generally a safe assumption, the analysis should describe factors used to develop the capacity estimate including how the City considered land use controls, development trends including typical density of existing or approved developments at similar affordability levels, performance standards or other relevant factors. In addition, the element must include the anticipated affordability of the pending projects included in the sites inventory table on (Pgs. 6-5). For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#zoning>.

Infrastructure: The element must demonstrate sufficient availability and access to existing or planned water, sewer, and other dry utilities to accommodate the City regional housing need for the planning period. (Gov. Code, § 65583.2, subd. (b).) While the element includes some analysis on water and sewer capacity, Pages 4-31

and 4-32 describe issues with the City's current infrastructure that make it unclear whether Regional Housing Needs Allotment (RHNA) can be accommodated at all income levels. For additional information, see Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental>.

Environmental Constraints: While the element acknowledges environmental conditions within the City on (Pg. 6-3), it must describe any known environmental constraints within the City that could impact housing development in the planning period. (Gov. Code, § 65583.2, subd.(b).) The element should also describe measures to mitigate identified environmental constraints. For additional information and sample analysis, see the *Building Blocks* at <http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental>.

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov) for technical assistance.

Sites with Zoning for a Variety of Housing Types:

*Emergency Shelters:* The element identifies the Highway Commercial (HWC) zone as suitable to accommodate emergency shelters without a conditional use permit. However, the element does not describe the typical parcel size and proximity to services and amenities, including transportation. In addition, the element also does not list out development standards for emergency shelters. The element should be revised to include a complete analysis on the suitability of the HWC zone in meeting the identified need for emergency shelters.

5. *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).)*

*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... (Gov. Code, § 65583, subd. (c)(3).)*

Building Code: While the element describes what building code the City implements (Pgs. 4-26), the element should describe any local amendments to the building code and analyze their impact as potential constraints on housing supply and affordability.

For additional information and a sample analysis, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/constraints/codes-and-enforcement-on-offsite-improvement-standards.shtml>.

Zoning and Fees Transparency: The element must clarify its compliance with new transparency requirements for posting all zoning and development standards for each parcel on the jurisdiction's website pursuant to Government Code section 65940.1, subdivision (a)(1).

Persons with Disabilities: While the element briefly describes the City's reasonable accommodation procedures (Pgs. 4-17), it should further describe and analyze its reasonable accommodation criteria and process including approval findings. In particular, the element must analyze the surrounding uses finding and the notification and appeal process. The element must be updated to include programs, as appropriate, to address any identified constraints depending on the outcome of the City's review of existing standards.

In addition, the element currently details that residential care facilities serving six or fewer persons are permitted in all residential zones. However, residential care facilities serving seven or more persons are limited to the same zones with the approval of a conditional use permit (CUP). The element should analyze the process as a potential constraint on housing for persons with disabilities and add or modify programs as appropriate to ensure zoning permits group homes objectively with approval certainty.

6. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the 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. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

Developed Densities and Permit Times: The element must be revised to include analysis of requests to develop housing at densities below those anticipated, and the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality's share of the regional housing need.

## 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 (Section 65583(c)).*

Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, and definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, all programs should be revised to include: (1) a description of the City's specific role in implementation including meaningful actions the city will take to achieve the identified goals, policies, and program objectives; (2) definitive implementation timelines (e.g., December 31, 2024); (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials (e.g., Planning Assistant, Community Development Department, etc.). For example, programs may have a "ongoing" timeframe but require specific actions to implement. Where there are specific actions identified, those actions must be accompanying specific timeframes. For example:

- Programs B-2 and B-4 will need to be completed within two years of adoption. This means timing for these two programs will have to move up a year.
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 the Finding B4, the element does not include a complete sites inventory or analysis; as a result, the adequacy of sites and zoning has not been established. Based on the results of a complete sites inventory and analysis, programs may need to be added, or revised, to address a shortfall of sites and zoning for a variety of housing types.

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 the element includes Program C-4 to pursue available state and federal funding sources, it does not provide specific actions the City will take to address the housing needs of special needs populations including seniors, large households, farmworkers, female headed households, persons experiencing homelessness, and persons with disabilities including developmental disabilities. Program actions could include prioritizing some funding for special needs populations and offering financial incentives or regulatory concessions to encourage the development of housing types, such as multifamily and permanent supportive housing, to address the identified housing needs.

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 B5, 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. In addition, the element must demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing.

5. *Promote AFFH 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 B3, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs.

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).)*

Program G-2 should be updated to include 3-year, 12-month, and 6-month noticing for units at risk of conversion. In addition, outreach, education, and financial resources should be expanded to tenants and not only limited to property owners.

#### **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)(8).)*

While the element includes a general summary of the public participation process (Pg. I-3-I-7), it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. For example, the City must describe how and when the draft was made available (i.e. where was it posted) to the public, or whether there were any stakeholder interviews in addition to the survey described on Page I-6 of the element along with any additional efforts the City took in the public participation process. In addition, the element should include a description of how comments were considered and incorporated into the element.