

# SANDAG/HCD Office Hours

- Melinda Coy – HCD Senior Specialist on housing elements
- Sohab Mehmood – HCD Specialist/SANDAG Regional Rep
- Paul McDougall – HPD Manager



# Sites Inventory – A Deeper Dive





## Purpose of Inventory

- Identify specific sites suitable for residential development to meet the locality's RHNA.
- Determine if additional governmental actions are needed to provide sites to accommodate the RHNA.



## Units Entitled, Permitted, or Constructed

Units built since the start of the projection period to be credited towards their RHNA.

Include a description of the methodology for assigning those housing units based on actual or projected sales price, rent levels, or other mechanisms establishing affordability.

- **SANDAG's** Projection Period Begins: June 30, 2020
- Planning Period Begins: April 15, 2021



# Site Inventory Framework

## Jurisdiction Identifies Sites with Potential for Development

### 1.) Do sites have appropriate zoning?

- Analysis or default density for lower-Income RHNA
- Housing for a variety of types
- **Affirmatively Furthering Fair Housing (2021)**

### 2.) Are sites suitable for development?

- Use of site in previous cycles
- Infrastructure and environmental constraints
- Non-vacant site analysis
- Small or large site size

### 3.) How much development capacity is realistic?

- Minimum Density or Analysis

## Inventory of Sites

(Listing and Maps of Sites)

### Are there potential alternatives to meet RHNA?

- Second Units
- Manufactured Housing
- Conversion, preservation, substantial rehabilitation

## Determination of Adequate Sites

Is there enough development opportunity to meet the RHNA by Income?

**If shortfall = rezone program**



# Types of Sites

- Vacant sites zoned for residential use
- Vacant sites zoned for nonresidential use that allows residential development
- Residentially zoned sites that are capable of being developed at a higher density (underutilized or non-vacant sites),
- Sites owned or leased by a city, county, or city and county
- Sites zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, rezoned for, to permit residential use, including sites owned or leased by a city, county, or city and county



## **Exempt entity controlled sites (state excess sites, military, university, and tribal land)**

- Agreement with the entity controlling the land that grants the jurisdiction authority regarding approving, permitting, certifying occupancy, and/or reporting new units to the California Department of Finance.
- Units will meet the Census definition of a unit.
- Documentation from the entity controlling the land that demonstrates planned housing has been approved to be built within the current RHNA cycle.
- Data pertaining to project construction and unit affordability by household income category



# Site Inventory Specific Requirements

- \*NEW\* Must identify sites with an APN (AB 1397, 2017)
- Size of Site in Acres
- Realistic Capacity Potential
- General plan designation
- Zoning designation
- For nonvacant sites, a description of the existing use of each property
- \*NEW\* (The RHNA income category the parcel is expected to accommodate (AB 1397, 2017)
- \*NEW\* If the parcel was used in previous planning period sites inventory (AB 1397, 2017)
- Existing Use if non-vacant
- \*NEW\* Indicate if the site is publicly owned (AB 1483, 2019)

B.O.L.O Sites inventory template coming your way – SB 6 – electronic submittal with adopted housing element





# Suitability For Development - General Requirements

- General description of any environmental constraints to housing
- **\*NEW\*** Determination if parcels included in the inventory have sufficient water, sewer, and dry utilities supply available and accessible to support housing development. Can be included in an existing general plan program or other mandatory program or plan to secure sufficient water, sewer, and dry utilities supply to support housing development on the site (AB 1397, 2017)
- **\*New\*** Are sites identified throughout the community in a manner that affirmatively furthers fair housing? (AB 686, 2018)
- Map of sites (for reference purposes only)



## Previously Identified Sites AB 1397

- Vacant sites identified in two consecutive, previous planning periods; or
- Non-vacant sites identified in a previous housing element

Sites identified in previous elements CAN be used to accommodate lower-income RHNA in the 6<sup>th</sup> cycle if element includes a program to allow sites by-right with 20% affordable to lower-income households.



## Small and Large Sites to Accommodate Lower-income RHNA (AB 1397, 2017)

Sites Less than 0.5 Acres or greater than 10 Acres are not suitable for accommodate lower-income RHNA unless the element includes:

- An analysis demonstrating that sites of equivalent size were successfully developed during the prior planning period for lower income housing
- Evidence that the site is adequate to accommodate lower income housing.

### **Factors to Consider for Analysis:**

- Typical projects assisted by State and Federal financing are 50 - 150 units
- Feasibility of development
- Potential for consolidation or subdivision
- Development trends
- Programs to encourage development, consolidation, or facilitate lot-splits



# Zoning to Accommodate Housing for Lower-Income Households

Analysis demonstrating the appropriateness of zoning for housing for lower-income households:

- Market demand
- Financial feasibility
- Trends within zones

Or

Default densities





## What is a vacant site?

- No improvement on the site (other than being a finished lot)
- No existing uses, including parking lots
- Vacant sites are not underutilized
- Vacant sites do not have blighted improvements
- Vacant sites do not have abandoned or unoccupied uses
- Underutilized sites are non-vacant sites



# This is Vacant





## This is Non-Vacant (1 of 3)





## This is Non-Vacant (2 of 3)







## This is Non-Vacant (3 of 3)





# Suitability For Development Non-Vacant Sites

**Parcel Listing:** Description of Existing uses

**Evaluation:** Analyze the extent existing uses impede additional development

- The analysis should include development trends, market conditions and regulatory framework (Section 65583.2(g))



# Suitability for Development Non-Vacant Sites - Factors

## Factors to consider:

- Age and condition
- Marginal versus operational uses
- Degree of under-utilization
- Property owner and/or developer interest
- \*NEW\* Existing Leases (AB 1397,2017)
- General analysis by planning area
- Relate development trends to identified sites
- Regulatory or other incentives to encourage additional residential



## **When the site inventory identifies non-vacant sites to accommodate 50% or more of the lower-income RHNA**

- Must provide findings based on “substantial evidence” existing use will discontinue during the planning period
- Absent “substantial evidence” the existing use is presumed to be an impediment to development



## How to Calculate 50%

Step 1: Calculate the sum of lower income RHNA capacity on vacant and other alternatives not related to capacity on non-vacant sites.

Step 2: Determine if this number is greater than 50% of RHNA.

Step 3: If number is less than 50%, then you will need to do the analysis.



## Example

<b>Total Lower Income RHNA</b>	<b>500</b>
Proposed lower income project	50
Accessory Dwelling Unit Capacity	20
Capacity on Vacant sites	200
Total Capacity	270
Percentage RHNA	$270/500 = 54.0\%$

Conclusion: No substantial evidence analysis needed



# Displacement Program Requirements

Non-vacant sites; or

Vacant sites with demolished residential uses

- Occupied by lower-income households within the last 5 years or
- Subject to affordability agreements for lower-income households within the last 5 years
- Are subject to replacement housing consistent with GC 65915(c)(3) – Density Bonus law



# Realistic Capacity

Capacity for each listed property by:

- » Established minimum density or
- » Based on analysis

Analysis must adjust for:

- land use controls and sites improvements
- \*NEW\* the realistic development capacity for the site (AB 1397)
  - i.e. for commercial or mixed-use sites capacity the extent non-residential uses are allowed, environmental constraints limiting usage, ect
- \*NEW\* typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction,
- \*NEW\* and on the current or planned availability and accessibility of water, sewer, and dry utilities.





# Other Approaches to Identifying Sites

Second units

Motel Conversion

Mobile home parks

Manufactured Homes

Alternative Adequate sites





# Second Units



Capacity estimate based on:

- Number of units in prior planning period – can be recent due to new laws
- Demand
- Resources or Incentives
- Affordability
  - Availability for rent (rather than pool-house or office)



# ADUs and the 6th Cycle

Leveraging the new laws

- Projecting the number of new ADU units
- Required level of analysis

Policies and Programs section of the housing element

- How to complement your analysis through your policies and programs section



## Alternative Adequate Sites

- Must have a committed assistance program within first two years of planning period.
- May count up to 25 percent of housing need for the following:

Substantial rehabilitation

Preservation

Acquired housing – Multifamily Renter and Owner,



## Zoning for a Variety of Housing Types

- Emergency shelters
- Transitional housing
- Supportive housing
- Farmworkers (permanent and seasonal)
- Manufactured housing and mobilehomes
- Multifamily



# Program Requirements





# Programs

Include a program to address and remove non-governmental constraints to the maintenance, improvement, and development of housing.

1. Address and Remove (or Mitigate) Constraints (Governmental and Non-Governmental Constraints) (AB 879)
2. Assist in the Development of Housing
3. Identify Adequate Sites
4. Improve and Conserve the Existing Housing Stock
5. Preserve Units at-Risk of Conversion to Market Rates
6. Provide Equal Housing Opportunities (Promote and Affirmatively Furthering Fair Housing Opportunities) (AB 686)
7. Develop a plan that incentivizes and promotes ADUs that can be offered at an affordable rent (AB 671).



## Adequate Sites Program (GC 65583(c)(1) and 65583.2(h)(i))

1. 100% of remaining need for lower-income households.
2. Provide processing by-right:
  - Project must contain at least 20% of units affordable to lower-income
  - No CUP, PUD or other discretionary review triggering “project” under CEQA.
  - Design review allowed as long as “project” not triggered.
3. Permit at least 16 units per site.
4. Have a minimum density of 16 or 20 units per acre.
5. Accommodate at least 50% of the remaining need on residential-only sites unless mixed use allows 100% residential and requires residential in other mixed-use projects.





# Rezoning Timeframes

Must complete all rezoning requirements within 3 years after EITHER

- 1) the housing element adoption OR
- 2) 90 days after receipt of comments from HCD.

Extension Qualification: complete rezoning to accommodate at least 75% of the remaining need and determine that zoning delayed based on one of the following:

a reason beyond the local government's control

- lack of infrastructure due to fiscal constraint
- requires a major revision to the general plan



# Accountability & Enforcement

- **No Net Loss**

Ensures adequate planning and that suitable land is available for new development throughout the planning period

- **Housing Accountability Act**

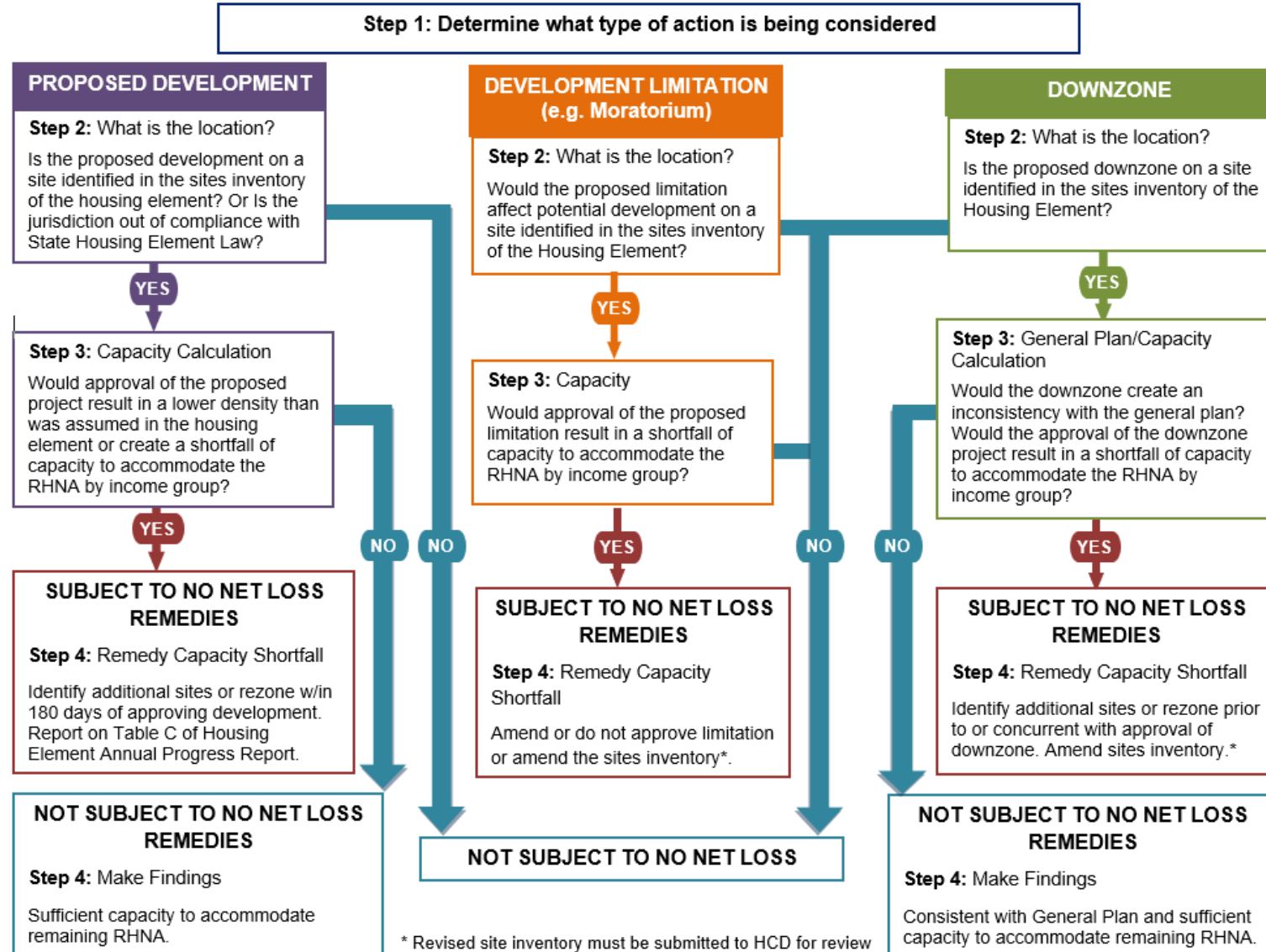
Reduces local governments' ability to deny housing development projects and creates a \$10k/unit penalty on cities/counties that deny (for unjustified reasons) approval of new homes

- **Enforcement**

Authorizes HCD to revoke housing element compliance and/or refer violations of housing element and other laws to the Attorney General



# No-Net-Loss Framework





# Housing Accountability Act (HAA)

- Requires substantive written findings for the delay and disapproval of housing if a development “complies with applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, in effect at the time that the housing development project’s application is determined to be complete”- reasonable person standard
- Finding must include that the housing development project would have a specific, adverse impact upon the public health or safety and there is no feasible method to satisfactorily mitigate or avoid the adverse impact” (Gov. Code Sec. 65589.5(j)(1)(B)) - supported by a preponderance of the evidence on the record
- Imposes a \$10,000 per unit penalty on cities/counties that ,for unjustified reasons, deny approval of new homes Californians



# Stay in the know: Sign up for HCD email at [www.hcd.ca.gov](http://www.hcd.ca.gov)



- Home icon
- Grants & Funding
- Manufactured & Mobilehomes
- Building Standards
- Planning & Community Development
- Policy & Research
- Select Language
- Powered by Google Translate



IMPROVING LIVES & COMMUNITIES ACROSS CALIFORNIA



- Contact
- Email Sign up**
- Questions, Comments, Feedback



## Follow HCD on social media



Like us on Facebook: [/CaliforniaHCD](#)



Follow us on Twitter: [@California\\_HCD](#)



Follow us on LinkedIn: [/company/californiahcd](#)

Thank You

