

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

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January 6, 2022

Steve Franks, City Manager
City of Villa Park
17855 Santiago Boulevard
Villa Park, CA 92861

Dear Steve Franks:

RE: Villa Park's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Villa Park's (City) adopted housing element received for review on October 8, 2021. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted element addresses many statutory requirements to address HCD's August 3, 2021 review; 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 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), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation, including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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

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Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. Without a compliant housing element, the City will not meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and professionalism of Raynald Pascua, Planning Manager and your consultant, John Douglas during the housing element update process. We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Marisa Prasse, of our staff, at Marisa.Prasse@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall". The signature is stylized and somewhat cursive, with a large initial "P" and "M".

Paul McDougall

Senior Program Manager

Enclosure

APPENDIX CITY OF VILLA PARK

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 <http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos.shtml>. 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 effectiveness of the housing element goals, policies, and related actions to meet the community's needs, pursuant to paragraph (7) of subdivision (a) of Section 65583 and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

HCD's prior review found the element must include a discussion of the cumulative effectiveness of programs in meeting the needs of special needs populations. In response, the element now states the City's regulations facilitate the production of transitional and supportive housing based on the establishment of two residential care facilities. The element provides no discussion of how the zoning was effective, nor does it include any discussion about the effectiveness of programs in meeting the needs of all special need's populations. Please see HCD's prior review for additional information.

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).)*

The element now includes minimal information related to an assessment of fair housing such as information on poverty, persons with disabilities but generally the element does not address this requirement. HCD will send examples under separate cover. Also, please see HCD's data viewer and guidance at <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

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).)

In response to HCD's prior review, the element states the previous draft addressed comments despite HCD's findings. There are no revisions to address HCD's findings. Please see HCD's prior reviews regarding Realistic Capacity, Suitability of Nonvacant sites and City-Owned Sites. In addition:

- *New Vacant Sites*: The element includes minimal discussion regarding HCD's prior review. For example, the element now notes the Orange County Water District expressed no opposition to rezoning the property, but it provides no information regarding plans to make the site available given the site is publicly-owned. Also, the element now states a nearby project was developed on an aggregate extraction property and therefore any issues can successfully overcome but provides little analysis to support this assumption. Further, there is little analysis of environmental constraints, infrastructure and access or analysis of this site that is larger than 10 acres. Please see HCD's prior review for additional information.
 - *Accessory Dwelling Units (ADU)*: The element now explains 15 ADUs were approved in the first nine months of 2021 and 12 were approved in 2020. However, the City has not reported any ADUs in 2020 as part of its annual progress report and the analysis should be based on permitted ADUs. The City should first reconcile ADU figures with HCD records and second rescale assumptions based on permitted ADUs.
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. (Gov. Code, § 65583, subd. (a)(5).)*

Land-Use Controls: In response to HCD's prior review to analyze development standards for impacts on achieving maximum densities, the element now includes a statement that development standards facilitate densities of 20 to 24 units per acre without exception. Yet, the element still provides no analysis to support this conclusion. Please see HCD's prior reviews for additional information.

4. *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. (Gov. Code, § 65583, subd. (a)(6).)*

In response to HCD's prior review, the element states the previous draft addressed comments despite HCD's findings. There are no revisions to address HCD's findings. Please see HCD's prior reviews.

C. Housing Programs

1. *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, HCD's prior reviews found the element should include specific commitment to encourage development on the City-owned site. However, the adopted element still does not appear revised to address this finding. Please see HCD's prior reviews.

2. *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 Findings B3 and B4, the element requires a complete analysis of potential governmental and non-governmental constraints. Depending upon the results of that analysis, the City may need to add programs and address and remove or mitigate any identified constraints.

3. *Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. (Gov. Code, § 65583, subd. (c)(3).)*

Program 5 (Encourage Conservation and Maintenance) now states the City has a minimal need for rehabilitation and “If it is determined that housing conditions are deteriorating the City will evaluate additional future actions as appropriate.” This Program should commit to when the City will determine (e.g., 2025) if housing conditions are deteriorating and when actions will be taken if necessary. The Program could also explore partnerships with non-profit organizations given the City’s lack of staff resources.

4. *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 B1, the element must include a complete analysis of affirmatively furthering fair housing. Based on the outcomes of that analysis, the element must add or modify programs.