DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
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January 29, 2024

Dean Albro, City Manager
City of Lompoc
100 Civic Center Plaza
Lompoc, CA 93436

Dear Dean Albro:

RE: City of Lompoc's 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Lompoc's (City) housing element adopted November 21, 2023 and received for review on December 1, 2023. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element addresses many statutory requirements described in HCD's August 9, 2023 review; however, additional revisions are necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:

1. *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... (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... …Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including… …emergency shelters... (Gov. Code, § 65583, subd. (c)(1).)

   Progress in Meeting the Regional Housing Need Allocation (RHNA): The element was revised to include a brief discussion of phasing and anticipated buildout timelines for the Burton Ranch and River Terrace projects and indicates some projects are under review. However, the element should also describe whether there are any known barriers to development in the planning period and clarify remaining steps, where applicable.

In addition, while Program H-A.20 (Available Sites Inventory) was revised to monitor development progress of approved and pending projects, the Program should also commit to when additional actions (e.g., rezoning) will be completed.

Realistic Capacity: While the element now lists recent developments by various factors such as built density by zone, it must still address whether 100 percent nonresidential uses are allowed in mixed-use zones and if so, account for the likelihood of 100 percent nonresidential uses in these zones in the capacity assumptions. Please refer to HCD's August 9, 2023 review for additional information.

Suitability of Nonvacant Sites: While element was revised to include some additional information on recent development examples, it must still evaluate past development trends relative to the indicators of redevelopment potential (e.g., floor area ratio (FAR), improvement to land value (ILV) ratio, age of structure, etc.) to provide support for the identified factors to demonstrate how they are indicative of redevelopment potential on nonvacant sites. For example, when including recent development examples, the element should list specific site characteristics of prior uses that relate to the factors utilized in the analysis.

In addition, for your information, the element relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, which triggers requirements to make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period. While the resolution of adoption includes the appropriate findings, any changes to the analysis should be reflected in future re-adoption of the element.

Suitability of Small Sites: The element was revised to include a brief discussion of the circumstances leading to potential consolidation of some small sites, including common ownership and shared ingress/egress. However, the element identifies several sites that do not relate to these indicators. The element should provide analysis of past trends or utilize other evidence of circumstances and conditions leading to potential for consolidation to analyze the potential of redevelopment for all small sites. In addition, the element should add or modify programs to promote consolidation, including significant incentives, monitoring, evaluation of effectiveness and adjustment, as appropriate.

Replacement Housing Requirements: The City's memo that accompanied housing element explains that no identified sites have residential uses subject to affordability or similar affordability requirements. However, the element should clarify these conditions and, if necessary, include appropriate analysis and programs. Please see HCD's prior review for additional information.

Electronic Sites Inventory: For your information, 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. While the City submitted the sites inventory in the appropriate form, any changes to the inventory should be reflected in the form and the form should be re-submitted as part of adoption. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Zoning for a Variety of Housing Types (Emergency Shelters): The element was revised to describe development standards for emergency shelters; however, parking and other standards (pp. 2-106 and 2-86) do not appear consistent with statutory requirements. For example, parking requirements, generally, should be limited to the amount needed for staff and the City appears to require a space per ten beds. As a result, the element should add or modify programs to address these constraints.

In addition, while Program H-A.8 was revised to remove the conditional use permit requirement for emergency shelters in the Mixed-Use (MU) Zone, the program should specifically commit to permit emergency shelter without discretionary action pursuant to Government Code section 65583 (a)(4)(A).

Programs: As noted above, 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 H-A.20 (Available Sites Inventory)*: While the Program was revised to commit to rezoning within one year of the adoption deadline, it should clarify this action will be completed by February 15, 2024.

- *Program H-A.14 (Accessory Dwelling Units (ADU)*: While the Program was revised to monitor production and affordability of ADUs and adopt additional incentives; if necessary, the Program should also commit to take appropriate action within a specified time period (e.g., six months).

2. *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... (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).)

Land Use Controls: HCD's prior review found that the element must analyze the City's development standards for potential constraints. The element was revised to include a few hypothetical examples for evaluating these standards but should further address potential constraints, as follows:

- *Old Town Commercial (OTC) and Mixed-Use (MU) Zones*: The element should address heights and the proposed residential FAR in the OTC as potential constraints. For example, the element could address these potential constraints by committing to increase the FAR for residential use to 1.0 and heights to allow four stories.
- *R-2 and R-3 Zones*: The element mentions height limits of 25 feet in the R-2 and R-3 zones, which appear to be inconsistent with heights described in Table H-34. The element should resolve this discrepancy and amend programs as needed to address any identified constraints.
- *Program HE-A.20 (Available Site Inventory)*: In addition to increasing allowable densities in the R-3 zone, the Program should commit to amending development as appropriate, including heights (e.g., three stories), to facilitate achieving maximum densities.

3. *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… (Gov. Code, § 65583, subd. (c)(5).)*

   While the element includes many meaningful actions to affirmatively further fair housing (AFFH), it should expand place-based actions toward community revitalization. Actions should have specific commitment, discrete timing, metrics or numeric objectives and geographic targeting. Examples of place-based strategies include targeting the City's capital improvement program toward a broad range of activities, applying for funding toward community revitalization, community amenities, parks, community facilities, recreation facilities, active transportation, infrastructure, streetscape improvements, safe routes to school and other community development activities. In addition, programs should be revised, as follows:

   - *Program H-A.1 (Housing Priorities and Funding)*: The Program should add a metric or numerical objective regarding rehabilitation for the planning period.

- *Program H-A.11 (Affirmatively Furthering Fair Housing)*: The Program should add metrics for the various actions.
- *Program H-A.16 (Place-based Strategies)*: The Program should add geographic targeting.
- *Program H-A.18 (Fair Housing Services)*: The Program should add metrics for the various actions.
- *Program H-A.19 (Missing Middle Housing)*: The Program should add geographic targeting and a metric.
- *Program H.A-27 (Place-based Housing Rehabilitation and Community Investment)*: The Program should add metrics for the various actions where appropriate.

The element will meet the statutory requirements of State Housing Element Law once it has been revised, adopted, submitted, and reviewed by HCD to comply with the above requirements pursuant to Government Code section 65585.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City did not adopt a compliant housing element within 120 days of the statutory deadline (February 15, 2023), any rezones to accommodate the RHNA or make prior identified sites available (e.g., Program H-A.20) must be completed no later than one year from the statutory deadline. Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until rezones to accommodate a shortfall of sites or make prior identified sites available are completed pursuant to Government Code sections 65583, subdivision (c)(1)(A) and 65583.2, subdivision (c).

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. 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 Affordable Housing and Sustainable Communities program, 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.

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 Clare Blackwell, of our staff, at Clare.Blackwell@hcd.ca.gov.

Sincerely,

Paul McDougall
Senior Program Manager