

**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



July 10, 2023

Maya DeRosa, Director
Community Development Department
City of Saint Helena
1572 Railroad Avenue
St. Helena, CA 94574

Dear Maya DeRosa:

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

Thank you for submitting the City of Saint Helena's (City) housing element that was adopted May 9, 2023 and received for review on May 11, 2023. 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 housing element addresses many statutory requirements described in HCD's April 7, 2023 review; however, revisions will be necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:


1. *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).)*


Actions, Programs, Metrics, and Milestones: The element was revised to include several actions with geographic targeting and increased metrics for programs that increase housing choices and affordability in relatively higher income and lower-density neighborhoods. However, as found in HCD's prior review and noted in HCD's technical assistance, the element must include significant and meaningful place-based strategies for community revitalization. The element must include actions targeting the southeast quadrant of the City that improve quality of life related to community development (e.g., housing, transportation, safety, education, recreation, infrastructure). Action should have metrics or numerical targets toward beneficial impacts for people; households, and neighborhoods (e.g., number of people or households assisted; number of housing units built; number of parks or infrastructure projects completed). Additionally, the element must include metrics for Programs H-N (Zoning to Facilitate Higher Density Housing) and H-U (Place-based Density Increases).



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).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services... (Gov. Code, § 65583, subd. (c)(1).)

Nonvacant Sites: The prior element included an analysis that relied on owner interest, development trends and referenced the degree of underutilization to analyze redevelopment potential on nonvacant sites. HCD's prior review found that the element should consider additional factors such as quantifying the degree of underutilization (e.g., existing densities vs. allowable densities, floor area ratio (FAR), low lot coverage, etc.). While the element was revised to quantify various objective factors for some sites, it did not quantify this information for all nonvacant sites. For example, for Sites 6, 7, 10 and 12, the element was revised to state that these sites are underutilized based on density, FAR, height and lot coverage allowances. However, as found in HCD's prior review, the element must quantify these factors to demonstrate the redevelopment potential for nonvacant sites. 

Zoning for a Variety of Housing Types – Emergency Shelters: For your information, as of March 31, 2023, AB 2339 (2022) is now applicable to the City. AB 2339 (2022) specifies how cities and counties plan for emergency shelters and ensure sufficient and suitable capacity. While the element has addressed most requirements under this provision, it should demonstrate that zoning designations identified to allow emergency shelters as a permitted use without a conditional use or other discretionary permit also allow residential uses. This could include zones that allow mixed uses that permit residential. Lastly, under these new provisions, the definition of emergency shelters has been expanded to include other interim interventions, including but not limited to, navigation centers, bridge housing, and respite or recuperative care. The element should demonstrate compliance with these requirements and include or modify a program as needed. For additional information and timing requirements, please see HCD's memo at <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf>. 

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 must be revised, as follows:

- *Program H-A (Available Sites Inventory)*: This Program commits to rezoning to address the City's regional housing needs allocation (RHNA) shortfall of 156 units. Among other things, this program commits to complying with Government Code section 65583.2(h) and (i) within three years of the planning period. However, as the City failed to adopt a compliant housing element within 120 days of the statutory deadline, this program must be completed no later than one year from the statutory deadline. This program should be revised with an updated timeline (e.g., completion by January 31, 2024) to reflect these statutory requirements.
- *Program H-F (Municipal Code Updates)*: HCD's prior reviews found that the element must include a commitment to comply with Government Code section 65651 (AB 2162, Statutes of 2018) which, among other provisions, permits permanent supportive housing without discretionary action under specified conditions. The element was revised with a commitment to comply with Government Code section 65661. However, as found in prior reviews, the element must commit to complying with Government Code section 65651.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted, if necessary, to comply with the above requirements.

As a reminder, the City's 6th cycle housing element was due January 31, 2023. 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), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), Program H-A (Available Sites Inventory) to rezone for 206 units to accommodate the RHNA and make prior identified sites available must 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). 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 all necessary rezones to make prior identified sites available and accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c)(1)(A) and Government Code section 65583.2, subdivision (c) are 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. 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.

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 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 Jamillah Williams, of our staff, at Jamillah.Williams@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager