

**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



January 17, 2023

Aarti Shrivastava, Director
Community Development Department
City of Mountain View
500 Castro Street, PO Box 7540
Mountain View, CA 94039

Dear Aarti Shrivastava:

RE: Mountain View's 6th Cycle (2023-2031) Subsequent Draft Housing Element

Thank you for submitting the City of Mountain View's (City) revised draft housing element received for review on November 17, 2022, along with revisions received on January 4, 2023. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by conversations on December 15, 2022, December 20, 2022 and January 4, 2023 with Ellen Yau, Senior Planner, Erica Anderson, Advanced Planning Manager, Beverly Choi, Community Planning Program Manager, Micaela Hellman-Tincher, Housing Neighborhood Services Manager, and BAE Consultant Stephanie Hagar. In addition, HCD considered comments from Mehruss Ahi, David Watson, Salim Damerджи, Kevin Ma, Daniel Shane, Mountain View YIMBY, League of Women Voters, Anna Marie Morales, Susan Morales, James Kuszmaul, Mountain View Chamber of Commerce, and Karen Bricker pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses most statutory requirements outlined in our September 29, 2022 review; however, additional revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The following describes revisions needed to comply with State Housing Element Law.

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).)*

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).)

Site Inventory: While the element was revised starting on page 331 to provide extensive analysis of the sites inventory and the reasoning behind the distribution of sites to meet the city's Regional Housing Needs Allocation (RHNA) for lower income, the analysis does not address the impacts on patterns of disproportionate housing needs, particularly in relation to displacement. For example, 87 East Evelyn Ave is a "safe parking" area and includes those living in Recreational Vehicles (RV). The element could include a discussion of how the City will address the displacement of these residents.

Additionally, the site inventory should be re-evaluated as a whole to ensure AFFH based on the revisions requested in Finding A2 and reaffirm that identified sites for lower-income households are not concentrated in any areas of the City. The element should include analysis to support these conclusions, including the number of units per site by income group for each of the AFFH categories relative to the existing patterns (number of households), impacts on patterns of disproportionate housing needs (e.g., overpayment, overcrowding, displacement) and expanding on the reasoning of the distribution of the RHNA for lower-income households. Further, if the inventory does isolate the RHNA for lower-income households in central areas, the element must have commensurate programs with place-based strategies for community revitalization and new opportunities in higher opportunity and higher income areas (beyond RHNA) to result in an equitable quality of life and affirmatively further fair housing throughout the City.

Programs: Depending upon the results of this analysis, the City may need to revise or add programs. For example, depending on how concentrations of lower-income sites shift with new sites moving from the pipeline into the sites inventory, to promote mobility, the City should consider adding concrete objectives and metrics to Program 1.4 (Religious and Community Assembly Sites for Housing), as it is a key program in adding affordable units to wealthier, higher resource areas south of El Camino Real.

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 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. (Gov. Code, § 65583, subd. (c)(1).)

Progress in Meeting the RHNA: While the element was revised extensively to clarify how affordability was determined for units affordable to very low-income and low-income households that have been built or are under construction or approved; there are a number of “pending” projects listed in Table 60 on pg. 322 as pipeline projects that do not appear to have actually submitted any type of project application. As stated in HCD’s prior review, the element must demonstrate pipeline units are expected to be constructed within the planning period. The current draft element does not provide sufficient evidence to demonstrate that the units assigned to 89 W. El Camino Real, 96 W. El Camino Real, 87 E. Evelyn Avenue, 67 E. Evelyn Avenue, 1012 Linda Vista Avenue, or Pear Avenue are current projects under consideration that will be constructed in the planning period. In addition, while the element has been revised to provide additional information on the Middlefield Park Master Plan and North Bayshore Master Plan, master plans are counted in the proposed pipeline projects in Table 60 on page 324 without indication if there are actual pending applications to develop housing units in either master plan area. The element must therefore clarify whether these are proposed projects under current consideration (e.g. submitted application or similar evidence) and describe the stage of the entitlement process. Any sites that are not part of a currently proposed project should be moved to the sites inventory with accompanying analysis to demonstrate the development potential within the planning period including demonstration of realistic capacity pursuant to Government Code section 65583.2, subdivision (c), and if sites have existing uses, analysis of the suitability of the nonvacant sites pursuant to Government Code section 65583.2, subdivision (g).

In addition, specific analysis and actions may be necessary if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. For your information, the housing element must demonstrate existing uses are not an impediment to additional residential development and will likely discontinue in the planning period. (Gov. Code, § 65583.2, subd. (g)(2).) Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

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. Please see HCD’s housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Programs: 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.

3. *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)(9).)*

While the City clearly made efforts to include the public through workshops and surveys and employed additional methods for public outreach efforts during the initial housing element public participation process, HCD has received public comment voicing concerns that the outreach process during subsequent draft review periods did not diligently include all segments of the community, particularly for non-English speaking members of the community. 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. HCD has received comments with many meaningful suggestions related to program timing, program commitment and other issues related to the sites inventory and AFFH, and we encourage the City to consider these comments.

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.

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

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 (January 31, 2023), then any rezoning to make prior identified sites available or accommodate the regional housing needs allocation shall be completed no later than one year from the statutory deadline pursuant to Government Code sections 65583, subdivision (c) and 65583.2, subdivision (c). 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 these rezones are completed.

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. 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>.

HCD appreciates the hard work and dedication of the City's housing element team provided during the course of our review. 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 Reid Miller, of our staff, at Reid.Miller@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager