

**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



May 12, 2023

Jackie Young, Director
Planning Department
Town of Woodside
2955 Woodside Road
Woodside, CA 94062

Dear Jackie Young:

RE: Town of Woodside's 6th Cycle (2023-2031) Subsequent Draft Housing Element

Thank you for submitting the Town of Woodside's (Town) revised draft housing element received for review on March 15, 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. In addition, HCD considered comments from Paul Goeld, Robert Hollister, Steve Lubin, and Anne Paulson pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses many statutory requirements; however, revisions will be necessary to substantially comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to substantially comply with State Housing Element Law.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the Town 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.

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 (RHNA) 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 Town 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 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 Town 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 Town 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 yourself and the Woodside housing element team provided. We are committed to assisting the Town in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Anthony Errichetto, of our staff, at Anthony.Errichetto@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager

Enclosure

APPENDIX TOWN OF WOODSIDE

The following changes are necessary to bring the Town'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 <https://www.hcd.ca.gov/planning-and-community-development/hcd-memos>. Among other resources, the housing element section contains HCD's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks)*, available at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks> and includes the Government Code addressing State Housing Element Law and other resources.

A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

The element was not revised to address this requirement. Please see HCD's prior letter 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).)*

Fair Housing Enforcement and Outreach: While the revised element clarifies enforcement and outreach capacity, as well as compliance with existing fair housing laws, it must also describe efforts that were made to communicate with protected classes or identify methods that were used to perform outreach and engage the public. The element could describe the efforts to circulate the housing element among low- and moderate-income households and organizations that represent them and to involve such groups and persons in the element throughout the process.

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).)*

Progress in Meeting the Regional Housing Needs Allocation (RHNA): The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Realistic Capacity: The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

Cañada College Site: As noted in the prior review, given the element's reliance on this site to accommodate the RHNA, and its inclusion in the previous 5th cycle housing element, the element must include programs with actions to monitor the progress in development, including rezoning or identifying alternative sites if the development does not proceed as anticipated.

Town-Owned Sites: The element was revised to include additional discussion for each Town-owned site; however, each discussion should also clarify whether there are any known barriers to development in the planning period, including relocation of existing uses.

Infrastructure: While the element includes a general discussion of sewer capacity, it must still demonstrate sufficient existing or planned water, sewer, and dry utility capacity to accommodate the RHNA for the planning period and add or modify programs, if needed, to address identified constraints related to the accessibility of infrastructure on identified sites to accommodate the RHNA.

Environmental Constraints: While the element now discusses environmental constraints on identified sites, it should still discuss any other known conditions that preclude development in the planning period. Examples include parcel shape, easements, and conditions.

Zoning for a Variety of Housing Types:

- *Emergency Shelters*: The element was not revised to address this requirement. Please see HCD's prior review for additional information.
 - *By-Right Permanent Supportive Housing*: While the element now includes Program H4.3b to establish appropriate zoning, the Program should clarify these uses will be permitted without discretionary action.
 - *Single Room Occupancy (SRO) Units*: The revised element added Program H4.3d to describe where SROs will be allowed; however, it must also clarify how the housing type will be allowed (e.g., by-right) and discuss realistic opportunities for development.
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... 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: The element briefly describes some development standards but still must analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The analysis must also evaluate the impacts of land use controls independently and cumulatively on housing cost and supply, feasibility, ability to achieve maximum densities, timing, and approval certainty. Please see HCD's prior review for additional information.

Fees and Exaction: The revised element identifies the total amount of fees and their proportion to the development costs for single family development and compares the total amount of fees to other jurisdictions in the region, it should also list all fees (i.e., development impact fees, permitting fees, planning fees, etc.) and analyze their impact as potential constraints on housing cost, supply, and affordability. The element must add programs to address potential constraints as appropriate.

In addition, while the element states multifamily fees will be established alongside rezoning (p. 3-18), it should add or modify programs to commit to establish fees that do not act as a constraint on development.

Local Processing and Permit Procedures: Although the revised element now references to the municipal code on the Town website, this revision generally does not address the finding in the prior review. Please see HCD's prior review for additional information.

Codes and Enforcement: The revised element now provides additional discussion regarding local codes and enforcement, but it should still clarify which building code the Town is currently using and discuss amendments to local building codes.

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).)*

The revised element describes typical cost of construction and availability of financing. However, the element must also analyze requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2 as well as the length of time between receiving approval for a housing development and submittal of an application for building permits. In addition, the analysis must identify local efforts to address nongovernmental constraints that create a gap in the jurisdiction's ability to meet RHNA by income category.

5. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of*

households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)

The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

C. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element... (Gov. Code, § 65583, subd. (c).)*

To have a beneficial impact and achieve the goals and objectives of the housing element, programs must have specific commitment and discrete timelines, as follows:

- *Program H3.1a (Administer and Support New Independent Housing at Cañada College):* While the Program was revised to address affordability levels and available resources, it must also add discrete timing associated with incentives and clarify the current status, as stated in HCD's prior review.
 - *Program H4.1c (Group Homes):* In addition to allowing group homes for seven or more persons, the Program should clarify these uses will be allowed in all zones allowing residential uses and similar to other residential uses of the same form in the same zone.
 - *Program H4.3a (Cooperate with Agencies Providing Emergency Shelter):* The Program should commit to how often coordination will occur, and describe services and funding that will be provided.
 - *Program H5.2a (Provide Sewer to Address Waste Disposal Failures):* The Program should describe how often information will be provided and commit to efforts and actions to improve sewer access.
 - *Program H6.2c (Evaluate Development Standards in The Western Hills):* The Program should go beyond reviewing development standards and commit to modifying development standards by a specified time.
2. *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... 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 Town 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:

- *Programs H2.1a (Establish Higher Density Zoning Near Freeway Access) and H3.2a (Increased Density):* The Programs must commit to meet all by-right requirements (Gov. Code, § 65583.2, subd. (h) and (i)) as noted in the prior review. In addition, the Programs should commit to establish appropriate development standards to facilitate achieving maximum densities.
- *Programs H3.2a (Rezone Town-Owned Sites) and H4.2c (Workforce Housing):* While the Programs commits to comply with the Surplus Land Act and disposition of the properties, the Programs should also commit to a schedule of actions to facilitate development in the planning period (e.g., coordination and assistance with funding, final entitlements, issuing building permits), including alternative actions if the sites are not developed by a specified date in the planning period (e.g., by 2028).
- *Program H1.3f (Monitor ADU Production):* The Program should commit to monitor ADU affordability in addition to production and take appropriate action at least twice in the planning period. The Program should specify when appropriate action will be taken. Finally, a menu of action should be considered in stride with progress and include potential rezoning if necessary.

3. *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 nongovernmental constraints. Depending upon the results of that analysis, the Town may need to revise or add programs and address and remove or mitigate any identified constraints.

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

As noted in Finding B1, the element requires a complete affirmatively furthering fair housing (AFFH) analysis. Depending upon the results of that analysis, the Town may need to revise or add programs. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues

and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, milestones, geographic targeting and metrics or numerical targets and, as appropriate, address housing mobility enhancement, new housing choices and affordability in higher opportunity or higher income areas, place-based strategies for community revitalization and displacement protection. Particularly, the element must include significant and meaningful action to enhance housing mobility. HCD will send examples under separate cover.

D. Quantified Objectives

Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).)

The element generally was not revised to address this requirement. Please see HCD's prior review for additional information.

E. Public Participation

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).)

The element was not revised to address this requirement. Please see HCD's prior letter for additional information.