

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

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April 22, 2010

Ms. Sidnie Olson, Director
Community Development Department
City of Eureka
531 K Street
Eureka, CA 95501

Dear Ms. Olson:

RE: Review of the City of Eureka's Draft Housing Element

Thank you for submitting the City of Eureka's draft housing element received for review on February 22, 2010. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Communications with Mr. Rob Wall, Senior Planner, facilitated the review. In addition, the Department considered comments from Legal Services of Northern California, pursuant to Section 65585(c).

The Department recognizes Eureka's efforts to promote the conversion of existing buildings for mixed and residential use. The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element must include analyses of identified sites and potential constraints on housing for persons with disabilities. The enclosed Appendix describes necessary revisions needed to comply with State housing element law.

The Department appreciates the cooperation and assistance provided by Mr. Wall throughout the course of the review and is committed to assisting the City of Eureka in addressing all statutory requirements of housing element law. If you have any questions or need additional technical assistance, please contact Paul McDougall, of our staff, at (916) 322-7995.

Sincerely,

A handwritten signature in cursive script that reads "Cathy E. Creswell".

Cathy E. Creswell
Deputy Director

Enclosure

APPENDIX
CITY OF EUREKA

The following changes would bring Eureka'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 the Department's website at www.hcd.ca.gov/hpd. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at www.hcd.ca.gov/hpd/housing_element2/index.php, the Government Code addressing State housing element law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Realistic Capacity: The element relies on non-residentially zoned sites to accommodate the regional housing need for lower-income households. In estimating residential capacity for non-residential sites, the element must account for the extent to which non-residential uses are allowed. For example, 100 percent non-residential uses may occur on some commercially zoned sites and projected residential development capacity should not, for example, assume residential-only development of all mixed-use or commercial sites.

Environmental Constraints: Since the element identifies some parcels in the inventory with potential wetland constraints, it should generally discuss how and where these conditions impact development feasibility in the planning period.

Small Sites: Most of the identified higher density sites are small and allow less than 10 units. While it may be possible to build housing on a very small parcel, the nature and conditions necessary to construct the units often render the provision of affordable housing infeasible. For example, assisted housing developments utilizing State or federal financial resources typically include 50-80 units. If small sites are necessary to accommodate the regional housing need for lower-income households, the element must include an analysis demonstrating the potential of these sites to accommodate new residential development, given necessary economies of scale particularly for new multifamily rental development affordable to lower-income households. The element could also include existing and/or proposed policies or incentives the City will offer to facilitate small lot development, especially lot consolidation opportunities. Depending on the outcome of the analysis, the element may need to identify additional, appropriately sized, sites that facilitate the development of housing for lower-income households.

Emergency Shelters: The element includes a program to amend zoning to permit emergency shelters without discretionary action and includes some general discussion of average lot sizes for emergency shelters. However, the element should identify and evaluate sufficient total capacity on candidate sites to accommodate the need for emergency shelters without discretionary action, particularly given location criteria such as distance from a bus line.

Transitional and Supportive Housing: Pursuant to Chapter 633, Statutes of 2007 (SB 2), transitional and supportive housing must be permitted as a residential use and only subject to those requirements that apply to other residential uses of the same type in the same zone. The element indicates that transitional housing is allowed in the RM and other zones under the classification of a "lodging house" for 15 or fewer persons and does not mention supportive housing. Transitional and supportive housing are residential uses and should not be limited to certain residential zones or limited based on size/number of persons. The element should demonstrate consistency with the requirements of SB 2 or add or revise programs as appropriate.

For additional information, see the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

2. *Analyze 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) and exactions required of developers. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Constraints on Persons with Disabilities: The element must include a complete analysis of potential constraints on the development, maintenance, and improvement of housing for persons with disabilities. While the element addresses various potential constraints such as reasonable accommodation, zoning to facilitate group homes and spacing requirements, it should identify and analyze the City's definition of family for impacts on housing for persons with disabilities and include programs as appropriate. Please see the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/CON_disabilities.php.

B. Housing Programs

1. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including emergency shelters, transitional housing, and employee housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in the Finding A-1, the element does not include a complete sites inventory or analysis; as a result, the adequacy of sites and zoning has not been 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 and zoning for a variety of housing types. In addition:

Emergency Shelters and Transitional and Supportive Housing: The element requires analysis of emergency shelters and transitional and supportive housing, depending on the results of a complete analysis, programs to comply with SB 2 may be needed (see Finding A-1). The element also includes Program 2.11 to review and revise the City's current standards for emergency shelters consistent with SB 2. However, the Program should commit to actual standards to be revised to ensure consistency with SB 2, particularly Government Code Section 65583(a)(4)(i-viii).

2. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

As noted in Finding A-2, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.