



City of Camarillo

AGENDA REPORT

Date: August 31, 2021

To: Planning Commission

From: Joseph R. Vacca, AICP, Director of Community Development

Submitted by: David Moe, Assistant Director of Community Development

Subject: **Final Draft 2021-2029 Housing Element Update and Negative Declaration 2020-9**

SUMMARY

Pursuant to the State housing law, the City is updating its Housing Element. The Planning Commission is requested to review the City's final draft 2021-2029 Housing Element Update and a Negative Declaration (ND) 2021-9, open a public hearing, accept public input, and formulate a recommendation to the City Council regarding the approval and adoption of the final draft 2021-2029 Housing Element Update and ND 2021-9.

DISCUSSION

Public Notice

A Notice of Public Hearing has been advertised for the Planning Commission special meeting of August 31, 2021, with postcards mailed and notices e-mailed to the interested parties and stakeholders. Notices were posted at Camarillo City Hall, as well as on the City's website (www.cityofcamarillo.org), and published in Camarillo Acorn newspaper. In addition, the public hearing was advertised on the Government Channel, marquee sign at the Constitution Park, Facebook post, and the City of Camarillo website calendar.

Environmental Review

An Initial Study was prepared for the Project in accordance with the provisions of the California Environmental Guidelines and the City of Camarillo Environmental Guidelines to evaluate the potential for adverse environmental impact. Based on the findings of the Initial Study, it has been determined that the project would not have a significant effect on the environment, and a Negative Declaration has been prepared. Negative Declaration (ND 2021-9) was available for review from July 23, 2021, to August 22, 2021, at the City Hall, Camarillo Public Library, and on the City and project websites. During the review period, the City received two written comments. The written comments and responses to comments are attached as Appendix B to the ND 2021-9.

The first comment is from the Ventura County Public Works, Watershed Protection (WP), stating that any future development activities must comply with WP's standards and the applicants will be required to obtain approval prior to the City granting development entitlements. Staff responded to the commenter that applicants for any future development projects on these sites will be required to obtain an approval letter from the WP after the City has deemed the application complete and compliant with the County MS4 permit, but prior to granting development entitlements. PW also stated that a funding mechanism must be established to determine the pro rata financial contribution for future development projects to fund operations, maintenance, repairs, rehabilitation, and replacement of regional drainage infrastructure as it approaches its useful design life. Staff responded to the commenter that the City will consider this suggestion, but this is a policy recommendation that does not specifically relate to ND 2021-9 and the City does not need to act on this suggestion at this time.

The second comment is from the Santa Ynez Band of Chumash Indians, stating that they request no further consultation and to be notified if supplementary literature reveals additional information or if the scope of work changes. The City will provide future notification if necessary.

Background

The 2021-2029 Housing Element Update consists of a comprehensive update to the Housing Element of the City of Camarillo General Plan. State law requires that Housing Elements be updated every eight years (California Government Code Sections 65580 to 65589.8). For Camarillo, the eight-year planning period will run from October 15, 2021, through October 15, 2029. To remain on an eight-year planning cycle, the City must adopt its Housing Element by the statutory due date of October 15, 2021.

The final draft Housing Element Update identifies residential sites adequate to accommodate a variety of housing types for all income levels and needs of special population groups, defined under State law (California Government Code Section 65583). It analyzes governmental constraints to housing maintenance, improvement, and development; addresses conservation and improvement of the condition of existing affordable housing stock; and outlines policies that promote housing opportunities for all persons. The City's Housing Element was last updated in 2014.

Housing Element Update Process

The Housing Element Update process includes a robust Community Participation Plan to encourage community input throughout the duration of the project. The following table provides a summary of the 2021-2029 Housing Element Update process and the community participation opportunities.

The City also continues to accept comments throughout the entire duration of the update process via project website (www.camarillohousingelement.com), the project hotline (805.388.5372), by e-mail (planning@cityofcamarillo.org), and by phone (805.388.5360).

COMPLETED PUBLIC PARTICIPATION AND ENGAGEMENT

➤ Public workshop #1	August 27, 2020	Introduced the Housing Element Update process and preliminary residential land inventory.
➤ City Council meeting #1 (Planning Commission attended)	October 14, 2020	Provided an update on the Public Workshop #1.
➤ City Council meeting #2	October 28, 2020	Introduced the initial draft goals, policies, and programs.
➤ Public workshop #2	February 11, 2021	Introduced the initial draft goals, policies, and programs to the public.
➤ Community Survey	February 26 – March 26, 2021	Conducted an online community survey on the community housing needs.
➤ Joint Planning Commission/City Council meeting	April 14, 2021	Provided an update on the Public Workshop #2 and results of the community survey.
➤ Planning Commission Public Hearing #1	May 4, 2021	Presented the draft 2021-2029 Housing Element Update.
➤ City Council Public Hearing #1	May 26, 2021	Presented the draft 2021-2029 Housing Element Update.
➤ HCD 60-day preliminary review	May 28 – July 27, 2021	Reviewed the draft element for compliance with the State housing law and provide City with comments.
➤ Planning Commission Public Hearing #2	August 31, 2021	Presented the final draft 2021-2029 Housing Element Update.

UPCOMING PUBLIC PARTICIPATION AND ENGAGEMENT

➤ City Council Public Hearing #2	September 29, 2021	Present the final draft 2021-2029 Housing Element Update.
➤ HCD 90-day review	October - November 2021	Review the final element for compliance with the State housing law and issue certification.

HCD Findings

The City submitted its draft Housing Element to HCD for a 60-day preliminary review for compliance with the State housing law on May 28, 2021. The submittal of the Affirmatively Furthering Fair Housing (AFFH) analysis (included as Appendix C to the final draft 2021-

2029 Housing Element) followed on June 21, 2021. The draft Housing Element and the AFFH were available on the project website for public review and comments prior to submittal to HCD. The draft Housing Element and all appendices continue to be available on the project website and at City Hall for public review and comments during duration of the update process.

HCD completed its review and prepared a findings letter, dated July 27, 2021. The findings letter indicates that the draft Housing Element addresses many statutory requirements. However, revisions are necessary to comply with all aspects of the State housing law. Staff worked with the consultant team, Rincon, Inc. and Veronica Tam and Associates, to address HCD findings.

The HCD findings and Staff revisions to the final draft Housing Element are summarized in the following paragraphs. The page numbers are noted where the revisions have been made within the clean version. Redline version of the final draft Housing Element is also attached for your reference. Please note, that the page numbers of the clean final draft may not correspond to the redline version.

HCD FINDING A: REVIEW AND REVISION

1. As part of the evaluation of programs in the past cycle, the element must provide an explanation of the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers, and persons experiencing homelessness).

RESPONSE: [Revised Appendix A, under subheading “Effectiveness in Addressing Special Needs” page 7-A1]. Staff revised the appendix to explain that Camarillo’s key strategies for addressing the housing needs of special needs populations is through inclusionary housing and development agreements; by excluding low-income housing units from the City’s Residential Control System (until its suspension pursuant to SB 330); through the residential rehabilitation program which benefits low-income households, elderly, disabled, and veterans; through the affordable housing property acquisition program; and through allocating City’s Community Development Block Grant funds to local public service agencies serving seniors, low-income households, and homeless population.

HCD FINDING B: HOUSING NEEDS, RESOURCES, AND CONSTRAINTS

1. AFFH: While the element includes a variety of information related to Affirmatively Furthering Fair Housing (AFFH), the element must include an analysis of that data and draw conclusions from that analysis to inform necessary goals and actions. In addition, the following information is also necessary to address this requirement.

Local Data and Knowledge: The element should complement federal, state and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers.

Disproportionate Housing Needs: The element identifies trends in disproportionate housing needs. However, the element should analyze trends and patterns at a local and

regional level related to substandard housing. For example, the analysis could include estimates from the code enforcement agency, or information from knowledgeable builders/developers, including non-profit housing developers or organizations.

Identifying and Prioritizing Contributing Factors to Fair Housing Issues: While the element contains contributing factors on Table 7-1, it must also prioritize contributing factors to fair housing issues. The element must be revised to evaluate and prioritize contributing factors to fair housing issues, including based on the outcomes of analysis. Contributing factors create, contribute to, perpetuate, or increase the severity of fair housing issues and are fundamental to adequate goals and actions. The analysis shall result in strategic approaches, including prioritizing contributing factors, to inform and connect goals and actions to mitigate contributing factors to affordable housing.

Sites Inventory: Currently, discussion of sites is limited to lower-income areas and the Racial/Ethnic Areas of Concentration of Poverty. However, the element must address the full scope of AFFH, including the placement of its moderate and above moderate-income units, access to transportation and educational opportunities, and analyze and conclude whether the identified sites improve or exacerbate each of the fair housing issue areas.

RESPONSE: [Revised Appendix C, under subheadings “Local Trends” on page 7-C13, “Local Trends” on page 7-C30, “Local Trends” on page 7-C35, and “Local Trends” on page 7-C45]. Staff revised Appendix C to provide more information on the local trends regarding identified concentration areas of minorities, persons with disabilities, and lower- and moderate-income households in the city. Staff further explained how the City’s Housing Element Program 4 - Fair Housing Practices provides meaningful actions to address fair housing issues identified in the appendix.

Goals and Actions: While the element includes on Table 7-11 a column for “meaningful actions”, these actions are not incorporated into the housing element programs. The element must be revised to add or modify goals and actions based on the outcomes of analysis described above. Goals and actions must specifically respond to the analysis and 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 metrics and milestones as appropriate and must address housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

RESPONSE: [Revised Housing Element Section 7.5.1 – Goals and Policies, Program 4 – Affirmatively Furthering Fair Housing on page 7-111]. Staff revised the program to include the meaningful actions in Table 7-11, included implementation timelines, and revised the goals and actions to respond to the analysis and contributing factors to fair housing issues. Staff addressed the housing mobility enhancement, new housing choices and affordability in high opportunity areas, place-based strategies for community preservation and revitalization and displacement protection.

2. The element identifies the age of the housing stock. However, it must include analysis of the condition of the existing housing stock and estimate the number of units in need of rehabilitation and replacement. For example, the analysis could include estimates from a

recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including non-profit housing developers or organizations.

RESPONSE: [Revised Appendix C, under subheading “Local Trends” on page 7-C45]. Staff revised the appendix to analyze the trends of substandard housing, including the number of residential rehabilitation projects funded with the City’s Community Development Block Grant (CDBG), the percentage of housing stock built prior to 1979 and how many of those units may be experiencing major deficiencies and in need of substantial repairs. Staff further explained how the City’s Housing Element Program 4 - Fair Housing Practices provides meaningful actions to address deferred maintenance of the housing stock.

3. The City has a regional housing need allocation (RHNA) of 1,376 housing units, of which 597 are for lower-income households. To address this need, the element relies on vacant and nonvacant sites, including sites in Specific Plan Areas. To demonstrate the adequacy of these sites and strategies to accommodate the City’s RHNA, the element must include complete analyses:

Progress in Meeting the RHNA: The element indicates that 100 units affordable to very low-income and low-income households are entitled, but it provides no information documenting how affordability of the units was determined. The element must describe the City’s methodology for assigning these units to the various income groups based on actual sales price or rent level of the units and demonstrate their availability in the planning period. In addition, the element must describe the expected timeframe of the entitled projects in the planning period; any entitlements that are still required with their expected timing; and include a program to facilitate the approval of the unentitled projects.

RESPONSE: [Revised Housing Element, under subheading “Proposed Projects (Entitled/Not Built) on page 7-68]. Staff revised the text to include an explanation that 100 entitled but not built units will be available to very low- and low-income households because the affordable units will be required by the project Conditions of Approval, by the requirements tied to the affordable housing money that the City used to purchase City-owned project sites, and through the sale and development agreements when the City transfers ownership of City-owned sites to affordable housing developers. The City included a new Program 17 – City-Initiated Affordable Housing Projects to entitle the City-initiated projects (i.e., Barry Street/Stock Lumber Site and Arneill Road Mixed-Use) in 2022, per HCD recommendation to staff during a phone conversation.

Sites Inventory: The element does not clearly describe which sites were utilized in the prior planning period. If the City utilizes vacant sites identified in two or more consecutive planning periods’ housing elements or nonvacant sites identified in a prior housing element period to accommodate the lower-income RHNA, the element must include a program to commit to zone for the following: sites must meet the density requirements for housing for lower-income households, and allow by-right approval for housing developments that include 20 percent or more of its units affordable to lower-income households.

RESPONSE: [Revised Appendix B Table 7-B-3 Nonvacant Sites on page 7-B11; Revised Housing Element Program 21 – By-Right Affordable Housing Projects on page 7-126; Revised Housing Element, under subheading “Rincon Analysis of Camarillo Commons sites” on page 7-58]. Staff expanded the land inventory table to identify which sites were utilized in the prior planning period. As shown in Table 7-B-3, vacant and nonvacant sites that have been identified in two or more consecutive planning periods’ Housing Elements to accommodate lower-income RHNA include sites identified as V3 and V4, and NV1 through NV14. Since these sites are to accommodate lower-income RHNA housing units, the City must include a new Program 21 – By-Right Affordable Housing Projects allowing by-right approval for housing developments that include 20 percent or more of its units affordable to lower-income households. These sites meet the density requirements for housing for lower-income households, which is 20 units per acre or more.

Realistic Capacity: The element assumes residential development on sites zoned for nonresidential uses while also assuming 80 percent development. To support this assumption, the element must include analysis to demonstrate the likelihood for residential development, especially given the zones are intended for nonresidential uses. The analysis may be based on factors such as land-use controls, development trends including typical density of existing, or approved developments at similar affordability levels, performance standards or other relevant factors.

RESPONSE: [Revised Housing Element, under subheading “Rincon Analysis of Camarillo Commons sites” on page 7-58]. Staff clarified that an assumption of sites developing at 80 percent of the allowed density was utilized in the 5th Housing Element cycle and not utilized in the final draft 6th Housing Element cycle. Staff further clarified that the City’s assumption for the allowable density and development of residential units on nonvacant sites is based on the recent trends. Examples of recent projects include Cedar-Oak (CUP-330) and Twenty 88 (CUP-227) mixed-used projects developed in Old Town Camarillo.

Suitability of Nonvacant Sites: While the element includes some recent trends and generally describes existing uses to demonstrate past experience, it does not explain how these trends relate to zoning, existing uses, densities, and the listed sites in the inventory. The element must also analyze the extent to which existing uses may impede additional residential development and include an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development. To analyze the extent that existing uses may impede additional residential development, the element should also include information on whether existing uses are operating, have been operating, and whether or not they are anticipated to continue operating. The element could also further describe expected subdivision of parking area as part of this analysis. In addition, relying on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households 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.

RESPONSE: [Revised Housing Element, under subheading “Residential Land Inventory” on page 7-57]. Staff clarified that recent residential development projects

(i.e., Cedar-Oak CUP-330, Dr. Ling CUP-227, Dr. Ling CUP-360) are in the same area and have the same zoning as the nonvacant sites listed in the land inventory. It is therefore reasonable to foresee that the sites in the land inventory have the same development potential, at the same density, as the recently developed projects. These nonvacant sites are primarily developed with commercial uses, which do not impede additional residential development because units can be built above the commercial uses. The building height limit is 35 feet in the Camarillo Old Town (COT) Zone and 40 feet in the Camarillo Commons Mixed-Use (CCM) Zone. The maximum height of 35 and 40 feet would allow second and third story residential development over the existing commercial development that is predominately one story.

Small Sites: The element identifies sites in Table 7-B-3 at less than a half-acre. Sites smaller than a half-acre in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower-income housing units as projected for the site or unless the Housing Element describes other evidence to HCD that the site is adequate to accommodate lower-income housing. As the element appears to rely on consolidated small sites to accommodate the RHNA for lower-income households, it should also provide analysis demonstrating the potential for consolidation. For example, the analysis could describe the City's role or track record in facilitating small-lot consolidation, policies or incentives offered or proposed to encourage and facilitate lot consolidation, conditions rendering parcels suitable and ready for lot consolidation, or information from the owners of each aggregated site.

RESPONSE: [Revised Housing Element Table 7-32-Examples of Recently-Approved Residential Projects in Commercial Areas on page 7-64]. Staff updated Table 7-32 to include information on which projects involved lot consolidation. One project, Cedar-Oak Mixed-Use, consisted of four contiguous lots. The other recent mixed-use projects, Dr. Ling (CUP-227) and Dr. Ling (CUP-360), did not require lot consolidation. Both projects provide commercial uses on the lower level, with residential uses above.

Sites with Zoning for a Variety of Housing Types:

- Single Room Occupancy (SRO) Units: The element describes that housing projects with 100 percent SROs are not allowed. The element must identify and analyze this limitation as a potential constraint on the City's ability to provide a variety of housing types to accommodate housing at all income levels including housing for extremely low-income households. In particular, this requirement may pose a barrier to the conversion or adaptive reuse of motel or hotels to housing for people experiencing homelessness.

RESPONSE: [Revised Housing Element, under subheading "Single Room Occupancy" on page 7-91, and Housing Element Program 16-Zoning Ordinance Amendments on page 7-123]. Staff revised Program 16-Zoning Ordinance Amendments to add the review of City's existing ordinance regulating SROs and make amendments as appropriate to address any limitations of the existing

regulations for providing a variety of housing types at all income levels, including housing for extremely low-income households. Staff Expanded the discussion on the City's current SRO regulations as a potential constraint on page 89 of the Housing Element.

- Accessory Dwelling Units (ADUs): The element indicates the City modifies its zoning code to ease barriers to the development of ADU's. However, per the HCD's June 29, 2021 letter, HCD discovered several areas which were not consistent with State ADU Law. This includes limiting ADUs to certain zones and requiring the submittal of annual reports. As a result, the element should revise its program to update the City's ADU ordinance in order to comply with State ADU Law.

RESPONSE: [Revised Housing Element Program 3-Accessory Dwelling Units on page 112]. Staff has responded to HCD on July 22, 2021, stating the City understands the requirement to revise the Camarillo Municipal Code to comply with the ADU State law and that the City will complete the necessary revisions at the end of 2021 after it has adopted its 2021-2029 Housing Element Update and will have more adequate staff time to commit to completing the zoning ordinance amendment. Per HCD's request in a follow-up e-mail, staff updated Program 3-Accessory Dwelling Units to specify that this zoning ordinance amendment will be completed to fully comply with the State ADU law before the end of 2021.

4. Land-Use Controls: The element must identify and analyze all relevant land-use controls impacts as potential constraints. For example, the element should identify any lot coverage requires, minimum unit sizes, and other standards typically applied to development by zoning district. The analysis must evaluate the cumulative impacts of land use controls on the cost and supply of housing, including the ability to achieve maximum densities and cost and supply of housing. The analysis should also describe past or current efforts to remove identified governmental constraints. The element must also analyze the garage parking requirement for multifamily units for its impact as a potential constraint on housing. Should the analysis determine the parking standards are a constraint on residential development, it must include a program to address or remove any identified constraints.

RESPONSE: [Revised Housing Element, under subheading "Zoning Designations and Development Standards" on page 7-84; Revised Housing Element under subsection "Off-Street Parking Requirements" on page 7-93]. Staff expanded the discussion on the City's efforts to provide flexible options to mitigate cumulative impacts of its land use controls. However, the Housing Element already provides a thorough discussion on City's land use controls such as types of housing permitted by zone, maximum densities by land use category and zoning designation, minimum lot area, minimum yard setbacks, and maximum building height by zoning designation. The discussion includes development standards in different areas such as Old Town, the Residential Planned Development (RPD) zone, and the Village Commercial Mixed Use zone (CMU), and cites cases in which the City has made exceptions to these standards for affordable housing projects so that the standards are not a constraint to affordable housing.

Staff expanded the discussion on page 7-93 (following Table 41-Residential Parking Requirements), to explain that the City's RPD and CUP process has mitigated constraints associated with parking standards in exchange for affordable housing components in proposed residential developments. Developers can propose and potentially build residential projects with higher densities because more area is available by reduced parking requirements.

Fees and Exaction: The element must describe all required fees for single family and multifamily housing development, including impact fees, and analyze their impact as potential constraints on housing supply and affordability. While the element provides some fees and exactions on Table 7-42, it does not calculate all typical fees applied to a project such as those associated with application processing, the Residential Development Board review, and impact fees.

RESPONSE: [Revised Housing Element Table 7-42-Comparison of Development Processing Fees on page 7-100]. Staff added planning and application fees, environmental fees, and impact fees as an example of a single-family and multifamily projects.

Local Processing and Permit Procedures: The element indicates that multifamily development must obtain a planned development or conditional use permit. The element must describe and analyze the permit processing procedures and their impacts as potential constraints on housing supply and affordability, particularly for residential development affordable to lower-income households and development on sites identified in the sites inventory. The analysis must describe and analyze approval procedures and decision-making criteria including approval certainty.

RESPONSE: [Revised Housing Element, under subheading "Zoning Designations and Development Standards" on page 7-80; under subheading "Off-Street Parking Requirements" on page 7-93; and under subheading "Residential Permit Processing" on page 7-98]. Staff included a discussion that the discretionary process for the Residential Planned Developments (RPD) and Conditional Use Permits (CUP) allows for flexibility in the development standards in exchange for projects with affordability components. Staff also included a discussion on the City's permit processing procedures and review time.

Residential Development Evaluation Board (RDEB): HCD recognizes that the RDEB has been suspended until 2025 pursuant to SB 330 (Chapter 654, Statutes of 2019). However, this requirement will return in the second half of the planning period if the provisions of SB 330 are not extended. As such, the analysis must include a complete analysis of this requirement as a constraint to development. Specifically, the element should address if there are any roll over provisions for the annual 400 unit allocation, the City's ability to accommodate the total RHNA throughout the planning period, and how this requirement interfaces with streamlined ministerial projects such as SB 35 (Chapter 366, Statutes of 2017) and other by-right provisions. These types of approval processes are non-discretionary and cannot trigger the California Environmental Quality Act (CEQA), whereas many of the findings required by the RDEB process are subjective and may trigger CEQA review.

RESPONSE: [Revised Housing Element, under subheading “Residential Development Evaluation Board” on page 7-76]. Staff expanded the discussion to discuss the status and impacts of SB 8. If passed, SB 8 will extend the provisions of SB 330 for an additional five years (to 2030). Staff expanded the discussion (page 85) of RDEB as not a constraint to development because 100 percent affordable projects are exempt, and projects with an affordable component receive bonus points through the RDEB process. The City’s available allotments of 400 units per year would allow for 3,200 units within an eight-year period, exceeding the City’s RHNA allocation of 1,376 units. Furthermore, the allotments do not expire if the project entitlements are active. Therefore, the unused allotments may continue to roll over into subsequent years until the developer and the market are ready to develop. Currently, there are 661 unused allotments that have been issued for the construction of residential units in Camarillo.

Inclusionary Housing and Local Ordinances: The Housing Element must specifically analyze locally adopted ordinances that directly impact the cost and supply of residential development. The element briefly describes the Inclusionary Housing Policy. The element must describe and analyze the inclusionary housing requirements and their impacts as potential constraints on the development of housing for all income levels, specifically on housing supply and affordability. The analysis must evaluate the inclusionary policy’s implementation framework, including levels of mandated affordability and the types of options and incentives offered to encourage and facilitate compliance with the inclusionary requirements. The City could engage the development community to facilitate this analysis.

In addition, the element describes the Affordable Housing Agreement (Agreement) policy in which developers with affordable housing units must enter with the City. It is unclear whether this Agreement is only for projects with inclusionary units or if it is required for all affordable housing. The element must evaluate the requirements of the Agreement for potential constraints to meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters. Particularly the requirement that affordable housing units be distributed among a range of unit sizes may impact the ability to provide 100 percent affordable housing projects to seniors, or permeant supportive housing to people experiencing homelessness and extremely low-income individuals.

RESPONSE: [Revised Housing Element, under subheading “Inclusionary Zoning” on page 7-96]. Staff included a discussion on the City’s inclusionary housing requirements as not posing constraints on the development of housing. The City’s affordable housing requirements ensure that affordable units are of comparable exterior appearance, are integrated with the market-rate units, and are restricted to lower- and moderate-income households through Affordable Housing Agreements with the City.

Constraints on Housing for Persons with Disabilities: The element currently details that residential care facilities serving six or fewer persons are permitted in all residential zones and with a conditional use permit (CUP) in the Camarillo Commons Zone. However, residential care facilities serving seven or more persons are limited to the same

zones with the approval of a CUP. The element notes that larger group homes for seven or more persons are subject to a conditional use permit. While the element states larger group homes have different needs; and that the use permit allows the City to work with applicants; it must also identify and analyze decision-making criteria for impacts on approval certainty and objectivity including programs as appropriate. While the element briefly describes the City's Chapter 16.08 Reasonable Accommodation process, it should further describe and analyze its reasonable accommodation criteria and process including approval findings.

RESPONSE: [Revised Housing Element, under subheading "Persons with Special Needs" on page 7-30; and under subheading "Housing for Persons with Disabilities" on page 7-86]. Staff included a discussion on the decision-making criteria for approval of the CUP to provide larger group homes for seven or more persons. Staff also further described its reasonable accommodation criteria and process including approval findings.

5. Price of Land, Cost of Construction, and Availability of Financing: While the element includes a high-level analysis of availability of financing, the price of land, and the cost of construction, it should be revised to analyze quantifiable cost data and its impact on the supply of housing.

RESPONSE: [Revised Housing Element, under subheading "Land Costs" on page 7-106]. Staff expanded the discussion on the limited availability of developable land and its relationship on the supply of housing and housing costs.

Requests for Lower Density, Permit Times, and Efforts to Address Nongovernmental Constraints: The element must include analysis regarding local efforts to address nongovernmental constraints that create a gap in the jurisdiction's ability to meet RHNA by income category, an identification and analysis of requests to develop at densities below the density identified in the site inventory, and a description of the length of time between project approval and request for building permit that hinders the jurisdiction's ability to accommodate RHNA by income category. For example, the City can look at recent developments in the jurisdiction and identify any nongovernmental constraints.

RESPONSE: [Revised Housing Element, under subheading "Residential Permit Processing" on page 7-98]. Staff added the permit processing procedures to the discussion.

6. Farmworkers: The element must quantify and analyze the housing needs of farmworkers. While the element includes a general discussion, it must still include complete information to guide an appropriate analysis. Specifically, the element must identify and analyze farmworkers in the City using local data and include county and regional data for seasonal and permanent farmworkers (e.g., USDA data).

RESPONSE: [Revised Housing Element, under subheading "Farm Workers" on page 7-38]. Staff provided additional information on the total farmworkers employed in Ventura County and Camarillo, and the average salary. Sources for farmworkers count include a comment letter submitted by a local non-profit advocacy group *House Farm Workers!*, Census of Agriculture, and American Community Survey.

7. The element describes the state requirements on energy conservation. However, the element must include analysis of energy conservation opportunities in residential development. The analysis should facilitate the adoption of Housing Element policies and programs. For example, programs could provide incentives to promote higher density housing along transit, encourage green building techniques and materials in new construction and remodels, promote energy audits and participation in utility conservation programs, and facilitate energy conserving retrofits upon resale of homes.

RESPONSE: [Revised Housing Element to add new Program 19-Promote Energy Conservation on page 7-125]. Staff added new Program 19-Promote Energy Conservation, to promote energy conservation options for new residential development and remodeling projects.

HCD FINDING C: HOUSING PROGRAMS

1. To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

- Program 2 - Affordable Housing Bonus Points Under Residential Development Control System: For your information, the program must continue suspending the RDEB if legislation warrants.

RESPONSE: [Revised Housing Element Program 2-Affordable Housing Bonus Points Under Residential Control System on page 7-112]. Staff added language to Program 2 reporting on the latest status of SB 8 which, if passed, will suspend RDEB to 2030.

- Program 3 - Accessory Dwelling Units: Describe how the City will promote ADU development and if bulletins are currently available. How will the City specifically promote ADU development for mod and lower-income households.

RESPONSE: [Revised Housing Element Program 3-Accessory Dwelling Units on page 7-112]. Staff included additional detail on how the City will promote ADUs and that bulletins are currently available. Per HCD's request received via e-mail, staff also expanded Program 3 committing to complete an ADU ordinance amendment that will bring the City's ADU ordinance into full compliance with the new State law regulating ADUs.

- Program 13 - Seek Grant Funding: Seek Grant Funding to Support Affordable Housing Activities: revise the program to include when the City will apply for funding.

RESPONSE: [Revised Housing Element Program 13-Seek Grant Funding to Support Affordable Housing Activities on page 7-121]. Staff revised the timeframe from "Ongoing" to "Annually; as NOFAs become available."

- Program 15 - Housing Policies: Describe when will the City review the affordable housing policies.

RESPONSE: [Revised Housing Element Program 15-Housing Policies on page 7-123]. Staff revised the timeframe from “Ongoing” to “Within three years of the Housing Element adoption.”

- Program 17 - Homeless Strategic Plan: revise the program to include timeframes for development of the plan.

RESPONSE: [Revised Housing Element Program 17-Homeless Strategic Plan on page 7-124]. Staff revised the timeframe from “Ongoing” to “Within four years of the Housing Element adoption.”

2. As noted in the Finding B3, 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, programs may need to be added, or revised, to address a shortfall of sites and zoning for a variety of housing types. In addition, the element must address the following:

- Program 10 - Adequate Sites: The program should describe the specific actions the City will take to ensure adequate capacity throughout the planning period. For example, the program could be revised to include commitment to monitor and implement Government Code section 65863 (No Net Loss Law).

RESPONSE: [Revised Housing Element Program 10-Adequate Sites on page 7-120]. Staff expanded the program committing City to monitor the approval and development of the sites in the Land Inventory to implement No Net Loss Law and SB 166 by maintaining adequate sites to accommodate its RHNA. Staff also revised the timeframe from “Ongoing” to “Ongoing, beginning within six months of the Housing Element adoption.”

- As noted above, if the element includes sites identified in previous planning periods to accommodate the RHNA for lower-income, it must include a program within the first three years of the planning period to allow by-right approval for housing development that include 20 percent or more of its units affordable to lower-income households.

RESPONSE: [Revised Housing Element to add a new Program 21-By-Right Affordable Housing Projects on page 7-126]. Staff added new a Program 21-By-Right Affordable Housing Projects, committing City to developing a program that allows by-right approval for residential projects on vacant and nonvacant sites that were utilized in the prior planning period, and include 20 percent or more of its units affordable to lower-income households. If the developer requests a density bonus or concessions in accordance with the City’s Density Bonus Ordinance, the required affordable units would be in addition to the 20 percent mentioned above.

3. As noted in Findings B4 and B5, the element requires a complete analysis of potential governmental and nongovernmental 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.

RESPONSE: [Revisions are throughout the Housing Element and described in responses above, for Findings B4 and B5]. Staff continues to work with the consultant team to provide additional analysis and ensure that HCD comments are addressed.

4. As noted in Finding B1, the element must include a complete analysis of AFFH. Based on the outcome of that analysis, the element must add or modify programs. In addition, while the element includes Program 4 which describes how the City responds to fair housing complaints, it must also include actions that promote AFFH opportunities. For example, the element could include a program committing to implement Government Code section 8899.50, subdivision (b), which requires the City to administer its programs and activities relating to housing and community development in a manner to AFFH and take no action that is materially inconsistent with its obligation to AFFH.

RESPONSE: [Revised Appendix C, Affirmatively Furthering Fair Housing, and Housing Element Program 4-Affirmatively Furthering Fair Housing on page 7-113]. Staff provided additional analysis throughout Appendix C, and revised Program 4 AFFH to include meaningful actions to address fair housing issues.

5. Program 7 (Affordable Housing Preservation) describes preservation efforts for ownership units. However, the element identifies 268 rental units at-risk of converting to market-rate uses in the planning period. Therefore, the element must include a program(s) with specific and proactive actions to preserve the at-risk units. For example, the program could support applications by non-profits for funding to purchase at-risk units, strengthen relationships with the listed non-profits and develop a plan or strategy for quickly moving forward in the case units are noticed to convert to market-rate uses in the planning period, and consider pursuing funding on at least an annual basis. The program could also commit to contacting non-profits immediately to develop a preservation strategy by a date certain and be ready to quickly act when notice of conversion is received and monitoring the units to ensure tenants receive proper notifications.

RESPONSE: [Revised Housing Element to add a new Program 20-Affordable Housing Preservation (Rental Units) on page 7-125]. Staff added a new Program 20-Affordable Housing Preservation (Rental Units) identifying actions the City will take in an effort to preserve the at-risk rental units.

HCD FINDING D: QUANTIFIED OBJECTIVES

1. The element must include quantified objectives to establish an estimate of housing units by income category that can be constructed, rehabilitated, and conserved over the planning period. While the element includes quantified objectives for new construction and rehabilitation, it must also include conservation objectives, especially for at-risk housing.

RESPONSE: [Revised Housing Element, under subheading “Quantified Objectives” on page 7-127]. Staff added objectives for the conservation of at-risk housing units, based on total number of at-risk units identified for the Housing Element cycle.

HCD FINDING E: PUBLIC PARTICIPATION

1. While the element includes a general summary of the public participation process (page 1 and Appendix C), it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the Housing Element, particularly lower-income households. In addition, the element must also describe how public comments were considered and incorporated into the element.

RESPONSE: [Revised D, Public Participation Summary, on page 7-D1]. Staff added more information on its efforts to involve all economic segments of the community in the Housing Element Update process.

Next Steps

After this August 31, 2021 Planning Commission Public Hearing, staff will work with the consultant team (Rincon, Inc. and Veronica Tam and Associates) to incorporate any public and Planning Commission comments into the final draft 2021-2029 Housing Element Update, present the final draft at the City Council public hearing on September 29, 2021 for adoption, and submit the final draft to HCD for a 90-day review for compliance with the State housing law.

If HCD determines that the Housing Element needs additional analysis and revisions to comply with the State housing law, staff will revise and bring the element for re-adoption at future Planning Commission and City Council public hearings.

When HCD certifies that the Housing Element complies with the State housing law, the City's 2021-2029 Housing Element Update will be complete.

Statutory Deadline

The statutory deadline for the City to adopt the 2021-2029 Housing Element Update is October 15, 2021. If the City adopts the Housing Element by this date, it will remain in the 8-year Housing Element cycle.

If this deadline is not met, the Housing Element will be considered out of compliance and could become subject to a 4-year Housing Element cycle. This would require two Housing Element updates versus one, which would require double the work and cost for completion. Other potential consequences include the loss of various State grant funding.

SUGGESTED ACTION

1. A MOTION to adopt a resolution recommending to the City Council adoption of Negative Declaration (ND) 2021-9.
2. A MOTION to adopt a resolution recommending approval to the City Council to adopt the 2021-2029 Housing Element Update.

ATTACHMENTS

Resolutions (2)
Final Draft 2021-2029 Housing Element Update – clean version
Final Draft 2021-2029 Housing Element Update – redline version
HCD's Findings Letter, dated July 27, 2021
Public Hearing Notice