

May 30, 2023, HCD Comments on Draft Revised Housing Element with Responses
Town's Interim Working Draft Revised Housing Element – July 2023

Comment Number	HCD Comment	Response*	Los Altos Hills Page Reference **	Campbell Page Reference ***
#1	<p>A. Housing Needs, Resources, and Constraints <i>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).</i></p> <p><u>Regional Level Patterns and Trends:</u> The element includes some data and analysis regarding different patterns for various socio-economic characteristics (race and income). However, a complete analysis should analyze this data for patterns and trends at the regional level, comparing the locality to the broader region, including integration and segregation (race, income, disability, and familial status), disparities in access to opportunity (education, environmental, transportation, economic), and disproportionate housing needs (cost burdened, overcrowded, substandard housing conditions, homelessness, and displacement risks). Please see HCD's January 12, 2023 review for additional information.</p>	Analysis to be completed by the Town's AFFH consultant and provided to staff by the end of July 2023.		
#2	<p><u>Income and Racial Concentration of Affluence (RCAA):</u> The element states that a RCAA does not exist; however, the Town is predominantly a high resource category according to TCAC/HCD Opportunity Maps and is predominantly higher income. These patterns differ from the surrounding region and the element should include specific analysis of the Town compared to the region and should formulate policies and programs to promote an inclusive community. For example, the Town should consider additional actions (not limited to the Regional Housing Needs Allocation (RHNA) to promote housing mobility and improve new housing opportunities throughout the Town.</p>	Analysis to be completed by the Town's AFFH consultant and provided to staff by the end of July 2023.		
#3	<p><u>Disparities in Access to Opportunity:</u> While the element was revised to include the distances between public schools for each site to a public transit line, it must also evaluate and compare concentrations of protected groups with access to</p>	Analysis to be completed by the Town's AFFH consultant and provided to staff by the end of July 2023.		

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	transportation options. In addition, it must also analyze any disproportionate transportation needs for members of protected classes.			
#4	<u>Identified Sites and Affirmatively Furthering Fair Housing (AFFH)</u> : While the element was revised with brief conclusions that identified sites do not exacerbate fair housing conditions, it must also quantify the number of units by income group and location then evaluate the impact on socio-economic concentrations. Please see HCD's January 12, 2023 review for additional information.	Work on addressing this comment is still underway and has not been completed at this time.		
#5	<u>Local Data, Knowledge and Other Relevant Factors</u> : The element included some information about regional history, referenced stakeholder comments and discussed the location of assisted projects and housing choice vouchers. However, the element needs to provide information and analysis that relates, supports, or supplements the existing analysis, fair housing conclusions, or contributing factors. The element must consider other relevant factors that have contributed to certain fair housing conditions. This analysis must consider information that is unique to the Town or region; such as governmental and nongovernmental actions; historical land use and zoning practices (e.g., past redlining/Greenlining, restrictive covenants, planning documents, etc.); disparities in investment to specific communities including transportation investments; seeking investment or lack thereof to promote affordability and inclusion; local initiatives, or other information that may have impeded housing choices and mobility.	A new section on "Town History" in Appendix A, page A-13 describes the local history of the Town, its regional setting, historical land use patterns, restrictive covenants, and other information which may have impeded housing mobility.	Refer to page 103.	Refer to page H.II-47.
#6	<u>Contributing Factors to Fair Housing Issues</u> : The element identifies contributing factors to fair housing issues. However, these issues and goals do not appear adequate to facilitate the formulation of meaningful actions to AFFH. The element should re-assess contributing factors upon completion of analysis and make revisions as appropriate. In addition, the element must prioritize these factors to better formulate policies and programs and carry out meaningful actions to AFFH.	Work on addressing this comment is still underway and has not been completed at this time.		
#7	<i>2. Include an analysis and documentation of household characteristics, including level of payment compared to</i>	New text estimating the approximate number of units in need of rehabilitation and	Refer to page 56.	Refer to page H.II-95.

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	<p><i>ability to pay, housing characteristics, including overcrowding, and housing stock condition. (Gov. Code, § 65583, subd. (a)(2).</i></p> <p><u>Housing Conditions:</u> The element discusses code enforcement violations; however, it must also provide a Town-wide estimate of the number of units in need of rehabilitation and replacement.</p>	<p>replacement provided in Appendix B on page B-25. Additionally, data from Project Sentinel, the Town’s contract administrator of the Rental Dispute Mediation and Arbitration Program is provided on page B-27 with the number of housing maintenance and repair inquiries received.</p>		
#8	<p><i>3. 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).</i></p> <p><u>Realistic Capacity:</u> While the element now clarifies that minimum densities are utilized toward the calculation of realistic capacity; it must still address HCD’s prior finding regarding the likelihood for 100 percent nonresidential development in zones allowing 100 percent nonresidential uses. Please see HCDs prior review for additional information.</p>	<p>Implementation Program D on page 10-41 was modified to clarify that the North Forty Specific Plan would allow for a range of density between 30 dwelling units per acre to 40 dwelling units per acre.</p> <p>A new section on “Appropriate Density/Default Density” in Appendix D, starting on page D-2 describes the development trends of residential development in the Town and nearby jurisdictions, capacity information on non-vacant and commercial sites, and examples of residential development that occurred on non-residentially zoned parcels in the Town.</p>	Refer to page 175.	Refer to page H.IV-19.
#9	<p><u>Nonvacant Sites:</u> The element was not revised to address this finding. Please see HCD's January 12, 2023 review for additional information. In addition, specific analysis and actions are 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.</p>	<p>A new section on “Appropriate Density/Default Density” in Appendix D, starting on page D-2 describes development trends in residential development in the Town and nearby jurisdictions, details on the questions provided on the Town’s Property Owner Interest Forms in relation to HCD’s Sites Inventory Guidebook, and construction age of the majority of the commercial buildings within the Sites Inventory.</p>	Refer to page 188.	Refer to page H.IV-31.
#10	<p><u>Small Sites:</u> The element was not revised to address this</p>	Work on addressing this comment is still		

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	finding. Please see HCD's January 12, 2023 review for additional information.	underway and has not been completed at this time.		
#11	<u>SB 9 Sites</u> : The element is projecting 96 units that will be developed based on the passage of SB 9 (Statutes of 2021) to accommodate a portion of its above moderate-income RHNA. To utilize projections based on SB 9 legislation, the element must; 1) include a site-specific inventory of sites where SB 9 projections are being applied; 2) include a nonvacant sites analysis demonstrating the likelihood of redevelopment and that the existing use will not constitute as an impediment for additional residential use. The element should list the four two-unit housing development applications and the seven urban lot splits, and the two development requests on single-family residential zoned parcels; and Program BL should be revised to implement significant incentives to encourage and facilitate development. Please see HCD's January 12, 2023 review for additional information.	Work on addressing this comment is still underway and has not been completed at this time.		
#12	<u>Zoning for a Variety of Housing Types (Manufactured Housing)</u> : The element was not revised to address this finding. Please see HCD's January 12, 2023 review for additional information.	New text was added to describe what manufactured housing is and where in the Town is it permitted, starting on page C-11 of Appendix C.	Refer to page 147.	Refer to page H.II-137.
#13	<u>Electronic Sites Inventory</u> : For your information, pursuant to Government Code section 65583.3, the Town must submit an electronic sites inventory with its adopted housing element. The Town must utilize standards, forms, and definitions adopted by HCD. While the Town has submitted an electronic sites inventory, if any changes occur, the Town should submit the revised inventory to HCD as part of any future re-adoption submittal.	Work on addressing this comment is still underway and has not been completed at this time.		
#14	<i>4. 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 as identified in the analysis pursuant to paragraph (7), 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).</i>	Details on the residentially permitted uses for the North Forty Specific Plan was added to Table C-2 of Appendix C on page C-5. A new table detailing the General Plan land use categories which permit residential uses was created as Table C-3 of Appendix C on page C-7.	Refer to page 140.	Refer to page H.II-151 – H.II-153 Refer to page H.II-124.

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	<u>Land Use Controls</u> : The element now lists development standards by zoning district. However, it must also list and evaluate development standards for the North Forty Specific Plan, Mixed-Use Commercial, and the High-Density Residential zones. Please see HCD's January 12, 2023 review for additional information.			
#15	<u>Fees and Exaction</u> : The element now compares total fees as a proportion of the total development costs but still must list the fees that comprise that total and particularly impact fees then evaluate those total fees for impacts on development costs.	New text was added starting on page C-30 of Appendix C, Development Impact Fees, listing the fees and evaluating the total fees for impacts on development costs.	Refer to page 161-162.	Refer to H.II-161.
#16	<u>Local Processing and Permit Procedures</u> : While the element provides additional information on the processing of a typical market rate single or multi-family housing application, it mentions approval is required by the Development Review Committee (DRC) (p. C-29). The element must describe and analyze the DRC process, identify and evaluate approval findings for impacts on housing cost and approval certainty.	New text was added to describe and analyze the development process, including the DRC process, starting on page C-32 of Appendix C. New text was added starting on page C-39 of Appendix C, Findings and Permit Process Related to Housing, which identify the approval findings and permit process required.	Refer to 154-156.	Refer to H.II-156.
#17	<u>Housing for Persons with Disabilities</u> : The prior review found the Town's reasonable accommodation procedure contains constraints. For example, subjective language in approval findings such as "no impact on surrounding uses" can lead to uncertainty of project approval through a discretionary process. In response, the Town commits Program BC to revise subjective language criteria to "minimal impact on surround uses" (p. C-38). However, reasonable accommodation is a unique exception process that should not contain findings similar to a conditional use permit. Program BC should be revised to specifically remove the surrounding uses finding.	The text of Implementation Program BC on page 10-62 was modified to remove the subjective language regarding the surrounding uses finding.	Refer to page 226.	Refer to page H.II-166.
#18	<u>Inclusionary Zoning Ordinance</u> : While the element now discusses alternatives for meeting the Town's inclusionary requirements, it should still describe incentives, including relationships with state density bonus law and how the level of affordability is determined.	New text was added to Section C.2 of Appendix C, starting on page C-46 which includes details on the affordability levels of the Town's Below Market Price Program and its relationship with State Density Bonus Law.	N/A	N/A
#19	<i>5. Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female</i>	Work on addressing this comment is still underway and has not been completed at this time.		

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	<p><i>heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).</i></p> <p><u>Special Housing Needs</u>: The element was not revised to address this finding. Please see HCD's January 12, 2023 review for additional information.</p> <p>Special Housing Needs: While the element quantifies some of the Town's special needs populations, it must also estimate the number of persons experiencing homelessness in the Town. In addition, the element reports data but must also analyze the special housing needs. For a complete analysis of each population group, the element should quantify the needs, evaluate trends and characteristics (e.g., tenure, income) of housing needs, discuss disproportionate challenges faced by the population, the existing resources to meet those needs, assess any gaps in resources or effectiveness of past strategies, describe the magnitude of the remaining need and appropriate propose policies and programs.</p>			
#20	<p>B. Housing Programs</p> <p><i>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).</i></p> <p>Programs must demonstrate that they will have a beneficial impact within the planning period. Beneficial impact means specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation. Deliverables should occur early in the planning period to ensure actual housing outcomes. The following programs still must be revised to include specific commitments and definitive timelines as follows:</p> <ul style="list-style-type: none"> Program M (Lot Consolidation): While the program was 	<p>The text of Implementation Program M on page 10-44 was modified to increase the numerical objective to facilitate nine lot consolidations.</p> <p>The text of Implementation Program S on page 10-47 was modified by increasing the numerical objective to target meaningful outcomes during the planning period.</p> <p>The text of Implementation Program T on page 10-47 was modified revising the timeframe to 2026, earlier in the planning period to target a beneficial impact.</p> <p>The text of Implementation Program BM on page 10-67 was modified to commit to an actual outcome and establish exceptions and alternatives for meeting the story pole requirement including, renderings, digital simulations, signage, and reduction of the number of story poles.</p>	N/A	N/A

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	<p>revised to facilitate four units through the lot consolidation process, it should increase the numerical objective in stride with the need. Specially as the Town is relying on several small sites to accommodate a portion of lower income RHNA.</p> <ul style="list-style-type: none"> • Program S (Affordable Housing Development): The program should increase the numerical objective to target meaningful outcomes during the planning period. • Program T (Purchase Affordability Covenants in Existing Apartments): The element should revise the timeline earlier in the planning period to target a beneficial impact (e.g., by 2026). • Program BM (Story Poles and Netting Policy): The program now commits to review the story pole and netting policy and explore options to reduce costs affordable housing. However, the program still must commit to an actual outcome, beyond exploring options. In addition, the program should also establish alternatives or modifications that promote approval certainty. For example, the program could remove the requirements or create alternative for meeting the requirement such as visual renderings. 			
#21	<p><i>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, and to comply with the requirements of Government Code section 65584.09. 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, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).</i></p> <p>As noted in Finding A3, the element does not include a</p>	<p>The text of Implementation Program D on page 10-41 was modified to clarify the title of the program and clarify that sites identified within the North Forty Specific Plan are reuse sites and must permit owner-occupied and rental multi-family uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households, as detailed further in Implementation Program BH.</p>	N/A	N/A

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	<p>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.</p> <p>As noted in the prior review, if necessary to make appropriate zoning available to accommodate the lower-income RHNA, Program D (Additional Housing Capacity) must be revised to meet all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). For example, the Program must commit to permit owner-occupied and rental multifamily uses by-right (without discretionary action) for developments in which 20 percent or more of the units are affordable to lower-income households.</p>			
#22	<p><i>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).</i></p> <p>As noted in Finding A4, the element requires a complete analysis of potential governmental 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.</p>	New text was added to Section C.1 of Appendix C on pages C-1 and C-2 adding clarity to the types of governmental constraints and consideration of the Land Use Element and Zoning Code as potential governmental constraints.	Refer to page 138.	Refer to page H.II-123.
#23	<p><i>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).</i></p> <p>As noted in Finding A1, the element requires a complete AFFH analysis. Depending upon the results of that analysis, the</p>	Work on addressing this comment is still underway and has not been completed at this time.		

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	Town may need to revise or add programs. Actions listed to address AFFH analysis must have specific commitments, 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. For example, the element must add significant and meaningful housing mobility actions to overcome the existing patterns in the Town related to the broader region. Given, among other things, the Town is entirely in the highest category of disparities in access to opportunity and largely does not reflect the socio-economic characteristics of the broader region. The element must include significant actions to promote housing mobility within the Town and relate to the region to promote an overall inclusive community. The element could consider improving existing programs or including new programs.			
#24	<p><i>5. Develop a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent... (Gov. Code, § 65583, subd. (c)(7).</i></p> <p><u>Program U Accessory Dwelling Units (ADU)</u>: While the program now commits to annually monitor the production and affordability of ADUs and make adjustments. It should clarify the types of adjustments that will be considered such as rezoning, additional incentives, fee reductions, financing programs.</p>	<p>The text of Program U, Accessory Dwelling Units (ADU), on page 10-48 was modified to clarify the types of adjustments that will need to be considered such as searching for innovative funding sources and revisiting the ADU marketing program for property owners.</p> <p>New text was added to Section 10.1.4 on page 10-9, directing the reader to Appendix C for additional information regarding the Town's ADU program and ADU incentives.</p> <p>New text was added to Section C.1 of Appendix C starting on page C-12 further describing the Town's ADU streamlined process and ADU incentives to reduce governmental constraints and promote affordability.</p>	<p>Refer to page 219-220.</p> <p>Refer to page 244.</p>	<p>Refer to page H.IV-67.</p> <p>Refer to page H.II-138.</p>
#25	<p>C. Quantified Objectives</p> <p><i>Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a</i></p>	Table 10-4 on page 10-33 was modified to quantify conservation objectives for the Town.		

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	<p><i>five-year time frame. (Gov. Code, § 65583, subd. (b)(1 & 2).</i></p> <p>The element now includes quantified objectives for new construction and rehabilitation by income group but should also include conservation objectives. Please note, conservation objectives are not limited to at-risk preservation and may include a variety of activities that promote safe and stable housing such as code enforcement and tenant protections. Examples of programs that may be utilized include Programs T (Purchase Affordability Covenants in Existing Apartments), AE (Rental Dispute Resolution), AF (Rental Assistance), AH (Stabilize Rents) and AQ (Rental Housing Conservation).</p>			
#26	<p>D. Public Participation <i>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).)</i></p> <p>While the element was revised to include the renters survey results and previous outreach conducted, it must also summarize all public comments and describe how they were considered and incorporated into the element. HCD's future review will consider the extent to which the revised element documents how the Town solicited, considered, and addressed public comments in the element. The Towns consideration of public comments must not be limited by HCD's findings in this review letter. Please see HCD's prior review for additional information.</p>	<p>New Appendix I, Public Comments, has been added summarizing all public comments and how they were considered and/or incorporated into the Housing Element.</p> <p>New text was added to Section 10.1.6 on page 10-16 referencing Appendix I.</p>	Refer to page 3-4.	Refer to page H.III-32 and Appendix III-E.
#27	<p>E. General Plan Consistency <i>The Housing Element shall describe the means by which consistency will be achieved with other general plan elements and community goals. (Gov. Code, § 65583, subd. (c)(7).)</i></p> <p>While the element identifies Program BG (General Plan Amendment) to ensure consistency with the General Plan, it should discuss how consistency will be maintained throughout</p>	Work on addressing this comment is still underway and has not been completed at this time.		

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	the entire planning period.			
<p>*The track changes copy of the Interim Working Draft Revised Housing Element is available online at: https://www.losgatosca.gov/HousingElement</p> <p>** A copy of the Town of Los Altos Hills 2023-2031 Housing Element, 6th Cycle Housing Plan is available online at: https://www.losaltoshills.ca.gov/DocumentCenter/View/6107/LAH_HEU_Revised-04-10-23-Updated-4-20-23</p> <p>***A copy of the City of Campbell 6th Cycle 2023-2031 Housing Element HCD Revised Submittal, Fourth Draft is available online at: https://www.campbellca.gov/DocumentCenter/View/20007/4th-HCD-Submittal-Draft-of-the-6th-Cycle-Housing-Element---Redlines</p>				

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