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

March 11, 2022

Ryan Smoot, City Manager
City of Lomita
24300 Narbonne Ave.
Lomita, CA U.S.A. 90717

Dear Ryan Smoot:

RE: City of Lomita's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Lomita's (City) adopted housing element received for review on January 11, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element addresses many statutory requirements described in HCD's September 14, 2021 review; however, additional revisions are necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code). See enclosed Appendix.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

HCD is committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at shawn.danino@hcd.ca.gov.

Sincerely,

Paul McDougall
Senior Program Manager

Enclosure

APPENDIX
CITY OF LOMITA

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

A. 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).)*

   Assessment of Fair Housing: The element now reports and maps data on components of the assessment of fair housing (e.g., segregation and integration, disparities in access to opportunity) but it must also analyze the information such as evaluating patterns, trends, conditions and circumstances, coincidence with other components of the assessment of fair housing and the effectiveness of past and current strategies to promote inclusive communities and equitable. This analysis should consider local data and knowledge and other relevant factors.

   Local data and knowledge and other relevant factors should complement the data and maps to evaluate the unique attributes of the City related to fair housing issues. Local data and knowledge should complement federal, state, and regional data to capture past and emerging trends and issues, including utilizing knowledge from the local government, local and regional advocates, and service providers. Other relevant factors that contribute to fair housing issues should analyze historical land use, zoning, governmental and nongovernmental spending including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

   Sites Inventory: While the element provides some general information regarding the placement of sites and affirmatively furthering fair housing, additional analysis is required. For example, the element, for all components of the assessment of fair housing, should address the number of units by income group, magnitude of impact on local patterns, any isolation of the regional housing need allocation (RHNA) by income group and address the concentrations of sites in key areas and corridors.

Contributing Factors: The element should re-assess and prioritize contributing factors upon completion of analysis and make revisions as appropriate.

Goals, Actions, Metrics, and Milestones: The element generally was not revised to address this requirement. The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. 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, 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. Please see HCD's prior review for additional information. HCD will send examples under separate cover.

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).)*

Sites Inventory: While the element was with a sites inventory that includes various factors such as general plan designation and zoning, it should still sufficiently describe existing uses sufficiently to facilitate an analysis of additional development potential. For example, the inventory could reflect the various values of factors (Appendix E, p. 10) utilized to indicate redevelopment potential. Further, the inventory calculates residential capacity on some sites using fractions. However, the inventory should utilize whole numbers and calculate net additional residential capacity (accounting for existing residential uses).

Realistic Capacity: The element now notes the likelihood for nonresidential uses is "limited" and the mixed-use overlay will enforce minimum densities. However, 100 percent nonresidential uses may still be allowed under base zoning (e.g., industrial, commercial). The element should either clarify residential uses will be required for any future development or account for the likelihood of 100 percent nonresidential uses as described in HCD's prior review.

Suitability of Nonvacant Sites: While the element was revised to broadly describe how GIS and other software were used to consider sites (Appendix E, p.10), the element must still account for the extent existing uses impede additional development as noted in the prior review. For example, the element should utilize recent development trends, experience in redevelopment or other supporting information to support the validity of factors utilized to indicate redevelopment potential. Please see HCD's prior review for additional information.

In addition, 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., resolution of adoption) 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. Any future re-adoption must make the appropriate findings in the resolution of adoption, as noted above.

Small Sites: While the element now describes that lot consolidation was assumed according to groupings in the inventory, it must still include analysis to demonstrate the potential for lot consolidation and if necessary, modify programs (Program 12) to encourage lot consolidation. Please see HCD's prior review for additional information.

Electronic Site Inventory: As noted in the prior review, pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory and submit an electronic version of the sites inventory. While the City has submitted an electronic version of the sites inventory, if changes occur, any future re-adopted versions of the element must also submit the electronic version of the sites inventory.

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 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).)*

Land Use Controls: While the element was revised to clarify the minimum and maximum densities being considered in the Mixed-Use Overlay (MUO) (Appendix C, p. 13), it must analyze these standards. For example, the element should evaluate minimum lot sizes and minimum lot widths for impacts on the ability to achieve maximum densities and specifically, impacts on identified sites to accommodate the RHNA that do not meet these standards. Further, minimum lot widths should be corrected from a square footage measurement. Please see HCD's prior review for additional information.

Parking Requirements: The element was revised to address parking requirements in senior housing as a constraint and described plans to reduce this requirement in Planned Unit Developments (Appendix C, p. 16). However, the element still must analyze its enclosed parking requirements as a possible constraint and revise Program 27 (Reduced Parking Requirements) as appropriate based on a complete analysis.

Local Processing and Permit Procedures (Conditional Use Permit (CUP)): The element was revised to include additional descriptions for various approval permits (pp.19-21). However, the element still must describe and evaluate requiring a CUP for multifamily uses and for heights exceeding 35 feet in the MUO zone. For example, the analysis should clarify whether 3 stories are allowed at 35 feet, any additional decision-making

standards for approvals and impacts on achieving maximum densities. Further, the element should evaluate findings of approval, such as compatibility findings, for impacts on approval certainty, particularly multifamily uses in the MUO zone given the reliance in accommodating the RHNA. The element must add or modify programs based on a complete analysis. For example, programs could commit to increasing heights or establishing non-discretionary decision-making standards and replace the CUP requirement with a lesser discretionary process (e.g., site plan review).

Housing for Persons with Disabilities (Reasonable Accommodation): While the element revised Program 13, committing to describe the differences between major and minor approvals, the element still must analyze the process to better formulate Program 13. For example, the analysis should address the referral to planning commission and list and evaluate approval findings. Also, while the element now includes a program to allow larger group homes (e.g., greater than seven persons) in commercial and mixed-use zones, it still must evaluate the CUP requirement as a constraint on housing for persons with disabilities and should modify Program 13 to commit to an objective procedure that promotes approval certainty.

4. *An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including… …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).)*

Developed Densities and Permit Times: The element now includes analysis on requests to develop housing at densities below those anticipated but it must still evaluate the length of time between receiving approval for a housing development and submittal of an application for building permits. Please see HCD's prior review for additional information.

5. *Analyze existing assisted housing developments that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. (Gov. Code, § 65583, subd. (a)(9) through 65583(a)(9)(D).)*

While the element now includes some analysis of the Kiwanis Gardens, it should still identify qualified entities with capacity to preserve the at-risk units.

B. **Housing Programs**

1. *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, 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 A2, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

2. *The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)*

   Program 7 (Incentives and Regulations): The Program was revised to review regulations and identify opportunities for improvement as well as one on one consultations with developers. However, the Program should explicitly commit to assist in the development of housing for extremely low-income households. In addition, the Program should commit to proactive outreach with developers such as annual outreach to identify development opportunities and other actions such as assisting with funding. Please see HCD's prior review for additional information.

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 Finding A3, the element requires a complete analysis of potential governmental and non-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.

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 protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. (Gov. Code, § 65583, subd. (c)(5).)*

   As noted in Finding A1, the element must include a complete analysis of AFFH. Based on the outcomes of that analysis, the element must add or modify programs to have specific commitment, milestones, and metrics to overcome fair housing issues and to

enhance housing mobility strategies, encourage development of new affordable housing in high resource areas, improve place-based strategies, and protect residents from displacement.

In addition, Program 23 (Fair Housing Development Marketing) now commits to promote fair housing materials with developers, however, the Program should commit to a variety of methods to ensure all households are aware of fair housing information through proactive efforts beyond making information available to developers at the public counter. For example, the Program could commit to materials in multiple languages and proactively distributing information at a variety of community locations and events.

5. *The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance. (Gov. Code, § 65583, subd. (c)(6).)*

The element revised Program 4 (Lower Income Housing Preservation) to develop a preservation plan for Kiwanis Gardens by Fall 2026. However, because Kiwanis gardens is at risk of losing affordability in January 2027, this action should be completed earlier in the planning period to ensure appropriate time for implementation, such as by Fall 2024. In addition, the Program should commit to specific and proactive actions to preserve at-risk units such as coordination with qualified entities and assisting with funding. Please see HCD's prior review for additional information.

C. **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)(8).)

While the element was revised to highlight Spanish language translation was available and included some additional stakeholders that were contacted, it should consider modifications where appropriate. For example, the element mentions comments regarding housing opportunities for persons with developmental disabilities but could also modify programs to specifically address the input received in the public process.