Santa Fe Springs 6th Cycle Housing Element Summary of Revisions, May 2024

On March 18, 2024, the California Department of Housing and Community Development (HCD) reported its review results for the most recent version of the City's 6th Cycle Housing Element. The Element was initially adopted February 8, 2022, with modifications made through January 22, 2024. The following table summarizes the review findings and the City's response. The HCD review letter is included at the end of this document. Included in this document are:

- Attachment A: AFFH Sites and Program Revisions
- Attachment B: Site Inventory (Resources) Revisions
- Attachment C: Housing Plan Program Revisions
- HCD March 18, 2024, findings letter

| FINDINGS FROM 03/18/2024 LETTER & 04/02/24 CALL | REVISIONS |
|------------------------------------------------------------------------------------------|--------------------------------|
| Identified Sites and Affirmatively Furthering Fair Housing (AFFH): | See Attachment A for new |
| The element should also explain the RHNA, including approved and pipeline projects, | sub-area analysis. |
| by income group by location and the various socio-economic characteristics. This | Sub-area arratysis. |
| analysis should also consider the existing number of households to better examine | |
| the impacts of the RHNA on socio-economic patterns. Finally, the analysis should | |
| specifically address any isolation of the RHNA by income group or lack of identifying | |
| the RHNA in some locations. HCD will send examples under separate cover. | |
| AFFH – Programs: | See Attachment C for |
| Based on the outcomes of a complete analysis, the element should add or modify | proposed program edits |
| programs to AFFH. In addition, the element now includes many meaningful actions to | based on the new sub-area |
| AFFH through Program 16 (Affirmatively Furthering Fair Housing), but actions to | analysis for Program 16. |
| establish a priority list of investment projects in high need areas should include | anatysis for Frogram 16. |
| discrete timing earlier in the planning period (e.g., 2025). | |
| Inventory: Suitability of Nonvacant Sites: | See Attachment B for |
| The element now describes that sites for the moderate and above moderate income | revisions to the "Criteria for |
| RHNA were identified based on meeting various criteria (e.g., existing use, land value, | Selecting Sites to Meet |
| year built, floor area ratio, building conditions) and that these criteria were based on | RHNA" section. |
| trends in the region. However, the element should discuss how trends in the region | Miliva Section. |
| support the utilized criteria. For example, the element could list recently built, | |
| approved or pipeline projects by the various criteria for the prior use. | |
| Inventory: Publicly owned Sites: | See Attachment B for |
| Discuss any other known barriers or relevant factors and impacts on the timing of | revisions to Site V-1: MC&C |
| development of site V-1 in the planning period. | Narrative. |
| development of site v-1 in the planning period. | Narrative. |
| | See Attachment C for |
| | proposed edits to Program |
| | 20. |
| | 20. |
| Inventory: Electronic Sites Inventory: | No changes proposed |
| 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. | |
| Inventory: Zoning for a Variety of Housing Types (Emergency Shelters): | The provisions of AB 2339 do |
| The element must meet new requirements related to emergency shelters (AB 2339) | not apply to the City for this |
| applies if a jurisdiction submits drafts of Housing Elements to HCD after April 1, 2023, | Housing Element unless |
| or did not submit a first draft to HCD until after January 31, 2023. | readoption occurs. |
| Inventory: Programs: | (the program referenced is |
| Based on the results of a complete sites inventory and analysis, the city may | Program 20 not Program 11) |
| need to add or revise programs to address a shortfall of sites or zoning available to | |
| encourage a variety of housing types. In addition, Program 11 (State and City-owned | See Attachment C for |
| Property) should still commit to numerical objectives consistent with the | proposed edits to Programs |
| assumptions in the sites inventory, discrete timelines (e.g., by 2026) for issuing a | 4, 5, 9, 16, 18 and 20 |
| request for proposals, facilitating entitlement, issuing building permits and when | |
| alternative actions will be completed, if necessary. | |

Attachment A: AFFH Sites and Program Revisions May 2024

Proposed **new** section for the AFFH analysis

Sites Inventory and AFFH Patterns by Sub-areas

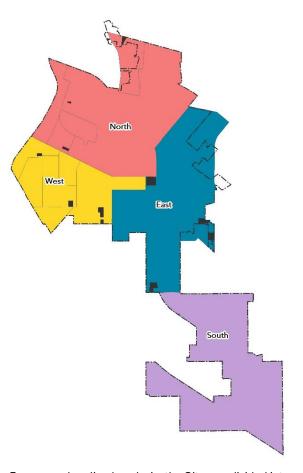
The distribution of sites (including lower-income RHNA sites and pipeline/approved projects) represents both improved and exacerbated fair housing and equal opportunity conditions in the City.

Overall, the distribution of sites (including lower-income RHNA sites and pipeline/approved projects) represents improved fair housing and equal opportunity conditions. This improvement is attributed to the addition of new housing in areas with higher proportions of renters, lower incomes, and prevalent overcrowding. Incentivizing new residential development in these areas, stimulating economic development, and job creation will contribute to a higher quality of life for existing and future residents of this area.

Exacerbated conditions may arise due to a variety of reasons summarized below. No additional issues are identified, but locational variations are recognized. The Housing Plan includes policies and programs to address the factors that could exacerbate these conditions.

For a more localized analysis, the City was divided into four areas based on Census Tracts and Block Group boundaries.

Several AFFH analysis topics do not vary much among the various parts of the City and, as such, the topics are not included below but are still addressed in the City's AFFH program strategy. There is only minor variation in race/ethnicity as most of the City is Hispanic or Latino. There are also High-Quality Transit areas in all parts of the City and positive jobs proximity conditions. Most of the City is classified as a disadvantage community, with



For a more localized analysis, the City was divided into four areas based on Census Tracts and Block Group boundaries.

minimal variation in different areas of the City, as reflected in the TCAC Environmental Scores. Due to the City's industrial history, this is not unexpected, and extensive programs to address these conditions are outlined in the City's new Environmental Justice Element. Industrial uses are included in the analysis. AFFH factors that may affect existing conditions are summarized below.

| Tract and Block Group# | Popul- ation (Block Group) | Housing Units (Block Group) | Median Income (Tract) | TCAC Composite (Tract) | Overpay- ment Renter, Owner (Tract) | Displac- ement Risk (Tract) | & Site ID | Total Capacity (Credits and Sites) | % Total Capacity | Total Moderate- & Above Moderate- Income Units | Total Lower- Income Units | % of all Lower- Income Units | % of All Existing Housing Units (estimate) | Improved/ Exacerbated Conditions | Edits to Address Exacerbated Conditions | AFFH Findings |
|-----------------------------------------|-------------------------------------|--------------------------------------|-----------------------------|-----------------------------------------------------|-------------------------------------------------|--------------------------------------|----------------------------------------|------------------------------------------------|---------------------|---------------------------------------------------------------|------------------------------------|---------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| North Area Most of Tract 5023.03 BG 5 | | 788 | \$69,531 | Score 2.0 Low Resource | 56.1%, 46.7% | Lower Risk | Norwalk B | iva. | | | | | | Improved conditions: Future residents will benefit from proximity to a major transit access point (proposed Metro L Line station) which will facilitate regional movement for education or employment purposes. The | | |
| Tract 5027.00 BG 1 | 1,492 | 403 | | | | | C-1 | | | | | | | recent General Plan update also designated mixed use areas near the station that will allow residential uses at up to 60 units per acre density. Future development will provide access to services and jobs. There is no overconcentration of housing proposed as this area has 41% of all housing units in the City and only 13% of inventory units. This area has a | Program 4: Homebuyer Assistance Program 5: Affordable Housing (Development) Assistance Program 9: Section 8 Rental Assistance | |
| Tract 5027.00 BG 2 | 1,504 | 408 | · \$77,286 | Score 2.0 | 44.2%, | Lower Risk | C-2 C-3 C-4 U-4 | 152 | 13% | 14 | 138 | 28% | 41% | relatively higher proportion of children in female-headed households which speaks to the need for affordable housing and supportive services. Added opportunities for new, affordable housing will be beneficial as will rental as stance. There is a lower displacement risk. | Program 15: Inclusionary Housing Ordinance Program 16: Various place based strategies including urban greening | Household Income in most of this area meets the state's median income, with a few pockets of higher income areas. |
| Tract 5027.00 BG 3 | 871 | 289 | \$77,200 | Low Resource | 40.3% | Lower NISK | U-5 | | | | | | | Exacerbated conditions: The inventory adds more housing in a low resource area and in an area with a higher level of overpayment. The lower proportion of lower income inventory units may limit affordable | plan strategies that integrate tree, landscaping, open space, and water quality protection based policies; Establishing green buffers between | Area is classified as having a low TCAC score (low resource). |
| Tract 5027.00 BG 4 | · | 841 | | | | | | | | | | | | housing options for residents. This area has a relatively higher proportion of persons with disabilities and a need for affordable and accessible housing may be needed. CalEnviroscreen data shows that this area has a high composite score indicating more negative environmental factors. | residential neighborhoods and heavy industrial uses Program 18:Housing opportunities for persons living with disabilities | Lower risk of displacement Overpayment is slightly higher than the City average. |
| West Area Only the | western half o | of Tract 50420 | 0 has reside | ntial uses. | | | | | | | | | | | | |
| Tract 5028.01 BG 1 | 684 | 234 | | | | | | | | | | | | | | Household Income in most of this area meets the state's median income, with a few pockets of higher income areas. |
| Tract 5028.01 BG 2 | 2,348 | 611 | | | | | | | | | | | | | | A higher proportion of children in female |
| | | | \$88,000 | Score 4.0 | 63.6%, | Lower Diek | C-5 U-8 | | | | | | | Improved conditions: the addition of new housing may relieve renter overpayment and provide more housing for female headed households | Program 8: Targeting housing units within 1,000 feet of freeways, | headed households |
| Tract 5028.01 BG 3 | 1,476 | 394 | \$88,000 | High Resource | 37.9% | Lower Risk | U-9 U-10 | 225 | 20% | 194 | 31 | 6% | 32% | with children as supply increases. This area has a slightly higher proportion of persons living in poverty and the opportunity for affordable | railways, major arterials, and distribution centers, to encourage | Most of the residential areas here designated as having higher resources. |
| | | | | | | | U-11 U-12 | | | | | | | housing development here can improve conditions. Future residents will benefit from higher TCAC educational scores and high resources | building design strategies to limit air | Has the highest TCAC educational scores. |
| Tract 5028.01 BG 4 | 792 | 256 | | | | | V-1 | | | | | | | designation. There is no general overconcentration of housing proposed | Program 9: Section 8 Rental | |
| | | | | | | | | | | | | | | as the proportion of total capacity in the inventory is less than the proportion of existing units. The proportion of total lower income capacity | Assistance Program 15: Inclusionary Housing | Has a relatively higher proportion of overpaying renters |
| Tract 5028.01 BG 5 | 833 | 256 | | | | | | | | | | | | in the inventory is less then proportion of existing units. | Ordinance Program 16: Various displacement | Overpayment is higher than the City average. |
| | | | \$73,333 | Score 2.0 Low | 38.4%, | Lower Risk | | | | | | | | Exacerbated Conditions: The central area of the City is predominately industrial which may produce interface issues and increase the number | strategies including tenant preference, financial support, and | West residential area has the highest risk of |
| Tract 5030.00 BG 1 | | 375 | and radavala | Resource | 49.0% | ourring in koy | orooo | | | | | | | of persons exposed to the area's pollution sources. | affordable housing funding | displacement |
| Tract 5042.00 BG 1 | 3,036 | 1,314 | \$63,512 | Score 2.0 Low Resource Score 3.0 Moderate Resource | 58.8%, 40.3% | At Risk / Lower Risk | C-1 C-2 C-3 C-4 U-4 U-5 | 759 | 67% | 443 | 316 | 65% | 26% | Improved conditions: This area has a slightly higher proportion of people living in poverty and the opportunity for affordable housing development here can improve conditions. The eastern edge of this area has a higher proportion of overcrowded households and new development can alleviate that, particularly paired with incentives for development of larger units. Future residents will benefit from proximity to a major transit access point (Norwalk/Santa Fe Springs Metrolink station) which will facilitate regional movement for education or employment purposes. The recent General Plan update also designated mixed use areas near the station that will allow residential uses at up to 60 units per acre density. Future development will provide access to services and jobs. The overconcentration of sites can be contributed to the development pattern. Aside from a recently developed apartment complex on Carmenita Road (just south of Lakeland Road), there are minimal housing units within the City's borders along the east side. In this area there is a pattern of redevelopment from industrial to residential uses as such there are more opportunities for larger sites compared with other residential areas of the City. Exacerbated conditions: There is an overconcentration of site capacity in this area (67% of capacity vs 26% of existing units). Compared to the other parts of the City the East subarea has a higher displacement risk. New housing may attract residents from more expensive parts of the region and push out lower income households. Compared to the other parts of the City the East subarea has a lower median income although it is still above the City average. This area has a relatively higher proportion of persons with disabilities and a need for affordable and accessible housing may be needed. The central area of the City is predominately industrial which may produce interface issues and increase the number of persons exposed to the area's pollution sources. CalEnviroscreen data shows that parts of this area have a hig | Program 8: Targeting housing units within 1,000 feet of freeways, railways, major arterials, and distribution centers, to encourage building design strategies to limit air pollution Program 9: Section 8 Rental Assistance Program 16: Various place based strategies including urban greening plan strategies that integrate tree, landscaping, open space, and water quality protection based policies; Establishing green buffers between residential neighborhoods and heavy industrial uses Program 16: Various disproportionate housing need strategies including programs to combat overcrowding and expand opportunities for large or multigenerational households Program 16: Various place based strategies including establishing green buffers between residential neighborhoods and heavy industrial | Most of the area has relatively higher incomes. Most of this area is designated as having moderate resources with a very small low resource area. Overpayment is slightly higher than the City average |
| South Area Industri | | | residential u | ses | | | | | | | | | | negative environmentatiactors. | uses | average. |
| Tract 9800.34 BG 1 | 9 | 12 | NA | NA | 100%, NA | NA | | 0 | | | | | 0% | | | |

Attachment B: Site Inventory (Resources) Revisions - May 2024

Proposed edits to Site V-1: MC&C Narrative (Housing Resources chapter)

It is not impossible for development to occur on the site. The adjacent Villages is a testament to 54.5 acres of oilfield turned into a premiere residential development, but it will take time and funding. It should be noted that the City is in the process of applying for Brownfield grants to assist in the redevelopment of the site. If successful, the monies will be used to address the current issues and to present developers with a less encumbered site for development. The City has initiated efforts to facilitate site development. The City applied and was awarded a grants to assist in the redevelopment of the site. The Equitable Community Revitalization Grant (ECRG), from the state's Department of Toxic Substance Control, is intended to expedite the cleanup and beneficial reuse of contaminated properties, with priority given to properties in historically vulnerable and disadvantaged communities. The grant will provide \$350,000 for a community-wide assessment for four properties including Site V-1 and will include site characterizations. The work will result in a preliminary strategy for remediation. The City is in the process of releasing a Request for Proposals for Phase 1 and applying for Phase 2 funding. Phase 2 will entail a site specific regulatory-approved cleanup plan and funding for implementation. This work enables the City to present developers with a less encumbered site for development. Besides needed site remediation work, there are no other known barriers or relevant factors and impacts on the timing of development of site V-1. As the site is owned by the Successor Agency, City will coordinate with developers to facilitate entitlements and improve site development feasibility including but not limited to financial assistance (land sales) to offset remediation cost.

New "Criteria for Selecting Sites to Meet RHNA" section (Housing Resources chapter)

Criteria for Selecting Sites to Meet RHNA

The following suitability criteria were used to identify sites with development potential. When the selection process was initiated, criteria 1 to 4 and 9 emerged as primary criteria as these characteristics proved to be critical.

The chosen sites were then looked at through secondary criteria to identify characteristics that could prevent redevelopment. Criteria 5 to 9 became secondary criteria and used to evaluate realistic potential for redevelopment of the chosen sites. These criteria were key in excluding sites that, in theory, had redevelopment potential, but likely would not redevelop within the planning period. Using this system, several sites that initially showed potential were removed due to long term leases or lack of owner interest in redevelopment. On the other hand, several sites with older commercial uses that showed obvious signs of deferred maintenance, minimal improvements, and had existing uses that are reflected in regional redevelopment trends were confirmed. Publicly available regional trend data for these secondary criteria is limited.

The following suitability criteria were used to identify underutilized parcels listed in Table H-36 under the Meets Suitability Criteria column. Table H-36 summarizes suitability criteria by site and Table H-29 shows the strong demand for site redevelopment for housing.

| <u>Criteria</u> | <u>Trends</u> |
|---------------------------------|-------------------------------------------------------------------------|
| 1. Interest: Developer interest | Development examples for owner interests are very limited as this |
| or property owner interest to | information is not available post-development. In this inventory, sites |

| <u>Criteria</u> | Trends |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| redevelop the site based on conversations with City staff | with expressed owner interest were included if they are of an appropriate size and zoning was in place or could be put in place. This applied to site V-1 (179 units), all credits/projects under development, and credit C-7 (3 units) as the City is/was interested in redevelopment of the sites with residential uses. Development interest is important as it allows the City to proactively assist with site development feasibility to offset the inclusion of affordable units. Credits projects C-2, C-3, and C-4 had developer interest and resulted in the City investing \$15.2 million in assistance, including the value of the land. |
| 2. Vacant/Minimal Improvements: Vacant lot, parking lot, open storage that includes minimal existing improvements on site 3. Public Ownership: Property is under public ownership | Vacant land represents the ideal site condition but in fully developed cities these sites are limited. Six of the 8 credits/projects under development/example projects in the City were vacant or had minimal improvements. Vacant lot development examples outside the City are not provided as most residential trends data focus on sites with existing uses. In this inventory, vacant sites are automatically included if they are of an appropriate size and zoning was in place or could be put in place. • (C-1) Alivia Apartments (11201 Carmenita Road). The 128-unit site was previously a vacant area associated with the athletic fields at Carmela Elementary School (South Whittier School District). • (C-2) The Richman Group (13231 Lakeland Rd.) was developed on a City-owned site • (C-3) The Whole Child (13231 Lakeland Rd.) was developed on a City-owned site • (C-4) Habitat for Humanity (10934 Laurel Ave.) will be developed on a City-owned site • (C-7) Millergrove Drive and Broaded Street. Habitat for Humanity has submitted development plans for this City-owned site to build three for-sale low-cost single-family units. • Veterans Commons 11269 Garfield Ave., Norwalk: 100 affordable units on a vacant, County-owned property. • The City of Whittier is developing 344 units on 6.64 acres of City-owned property among eight non-contiguous, but close proximity sites. Of these, 139 of the units will be affordable to low- or moderate-income households. In 2022, the City selected a |
| 4. Existing Use: Uses that are similar to those that have been previously recycled in surrounding communities (e.g., industrial uses, office, | Oil Extraction: In 2023, the City of Signal Hill and property owner Signal Hill Petroleum (SHP) led efforts to re-zone and remove constraints to development for two oil extraction sites and develop 380 residential units. In 2023, National Community Renaissance |

| <u>Criteria</u> | <u>Trends</u> |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| standalone restaurants and | (CORE) was chosen to develop two low- and moderate-income |
| retail uses, and single-family | housing projects totaling 380 units. |
| <u>buildings)</u> | In 2023 the Los Angeles Neighborhood Land Trust purchased a |
| | 1.86-acre lot on Jefferson Avenue previously used for oil extraction |
| | (36 wells) to redevelop into a park, community center and |
| | affordable housing. |
| | • In 2023, Firmin Court in the City of Los Angeles, a 63-unit |
| | apartment community with 45 units designated for permanent |
| | supportive housing and 18 general affordable units, was |
| | constructed on a property that required the abandonment of a |
| | more than 100-year-old oil well. |
| | |
| | Industrial/Business Park: |
| | Credits C-2, C-3, and C-4 were previously developed with |
| | industrial uses. |
| | • <u>iL Borgo 50 residential units developed on an industrial property</u> |
| | • 8315/8335 Greenleaf Ave., Whittier: 17 units on an industrial |
| | property several buildings. |
| | • 12826 Philadelphia St., Whittier: 52 units on a site developed with |
| | medical business uses |
| | Workman Mill Road near Beverly Blvd., Whittier: 32 units on a site |
| | developed with office/business uses |
| | The Richman Group 13231 Lakeland Rd., Santa Fe Springs: 102 |
| | affordable units on an industrial site. |
| | The Whole Child, 13241 Lakeland Rd., Santa Fe Springs: 19-unit |
| | transitional/supportive housing units on an industrial site. |
| | 4820 Durfee Ave., Pico Rivera: 45 units on an industrially |
| | developed property |
| | |
| | • 10119-10123 Washington St. and 14535 Woodruff Ave., Bellflower: |
| | 21 residential units on a site developed with residential units and |
| | two industrial buildings. |
| | 9825 Oak St., Bellflower: Part of a 19-units partially affordable development gravity selections deviate a transfer and |
| | development previously developed with a truck storage and |
| | equipment yard. |
| | Florence Homes 8315/8335 Greenleaf Ave., Whittier: 17-unit |
| | development was approved in 2021 on a site previously in use as |
| | an industrial/commercial building. |
| | Communication |
| | Commercial: |
| | Initial site selection included several commercial properties. Further |
| | investigation resulted in removal of sites due to proposed |
| | development or long-term leases. Nonetheless commercial property |
| | redevelopment for housing has been strong: |
| | Credits C-6 was previously developed with commercial uses. |
| | 8825 Washington Blvd., Pico Rivera: 255 units on a property |
| | developed with a nightclub and a restaurant. |

| Criteria | Trends |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Criteria | Church Credit/project C-5 (54 units) was developed on a Former Mormon Church Site Transit station proximity: The location of sites near an existing or planned light rail station is a common regional trend. Sites U-4 and U-5 are located across the street from the Metrolink Norwalk/Santa Fe Springs station and less than a mile from the Metro C Line Norwalk station. Credit C-6 is an SRO project (Phase II) under development with up to 88 units in a single 60,896 square-foot mixed-use building. The |
| | project is 1.5 miles from the proposed E Line light rail station. The first phase of this development had an additional 44 units in a 54,805 square-foot mixed-use building. |
| 5. Building/Land Value: Property improvement value is less than half of the land value (ratio is less than 2.00) | This criteria was considered secondary as it helped identify sites that meet primary criteria but may not be redeveloped due to the high value of existing development (improvements). Sites with uses that have higher land values compared to improvement values are assumed to be ripe for development as the owner have a financial incentive to sell the land. |
| | For the credits/projects under development/example projects where building and land valuation data was available, land value far exceeded improvement value. Il Borgo a fully developed project in the City is an exception as the improvement costs prior to development was very slightly higher than land value. This shows that even when slightly exceeded, intensification of land is economically favorable. Building and Land Value data for developed regional project examples is not available post-development. |
| 6. Year: Structure was built prior to 1980 (and therefore over 43 years of age, | Structure age data for developed regional project examples is not available post-development. |
| consistent with regional trends) | All credits/projects under development/example projects where building age data was available had structures that were 60 to 70 years old. Data for City projects is not available, but perceived structure age was key in excluding sites with newer existing uses that redevelopment may not be likely within the planning period. |
| 7. Building Intensity (FAR): Low existing floor-area ratio (FAR) under 0.50 | All credits/projects under development/example projects where FAR data was available shoe very low lot coverage ranging from ¼ of the lot to half the lot. |
| | FAR data for developed regional project examples is not available post-development. |

Attachment B: Site Inventory (Resources) Revisions – May 2024

| <u>Criteria</u> | <u>Trends</u> |
|--------------------------------|--------------------------------------------------------------------------|
| 8. Lease: No existing tenant | Criteria reflects general guidance from HCD on site development |
| lease(s) or lease(s) expires | feasibility. Initial site selection included several commercial |
| within early in 6th Cycle | properties. Further investigation related to existing leases resulted in |
| planning period | removal of sites due to proposed development or long-term leases. |
| 9. Building Condition: | Building condition data for developed regional project examples is |
| Building facade or exterior | not available post-development. Data for City projects is also |
| (including roof condition) is | unknown, but building condition was key in excluding sites with |
| deteriorating or in poor shape | existing uses that showed recent maintenance or improvements that |
| and/or building has many | might signify that redevelopment may not be likely within the |
| tenant space vacancies | planning period. |
| | |

Attachment B: Site Inventory (Resources) Revisions – May 2024

Property Characteristics for Developed and Pending Projects

| Name | Interest | Vacant/Minimal Improvements | Public Ownership | Previous Uses | Building Land Value | Year built | Building Intensity - FAR | Long term leases | Building Condition |
|------------------------------------------------------|---------------------------------------------------------------|--------------------------------|--------------------------------|------------------------------------|----------------------------------------------------------------------------------|---------------|--------------------------------|------------------------|-----------------------|
| C-1: Alivia Apartments (11201 Carmenita Rd.) | Developer Interest | Yes | School district | Portion of an existing school yard | Unknown | NA | NA | <u>No</u> | No previous building. |
| C-2: The Richman Group (13231 Lakeland Rd.) | Developer interest plus city financial assistance | Yes | Formerly City-owned | Vacant industrial lot | Unknown | NA | NA | <u>No</u> | Vacant lot |
| C-3: The Whole Child (13231 Lakeland Rd.) | Developer interest plus city financial assistance | Yes | Formerly City-owned | Vacant industrial lot | 2008 Assessor Roll: Land Value: \$6,890,000 Improvement: \$10,000 | NA | NA | No | Vacant lot |
| C-4: Habitat for Humanity (10934 Laurel Ave.) | Developer interest plus city financial assistance | Yes | City of Santa Fe Springs | Residential | Unknown | NA | NA | No | Vacant lot |
| C-5: Former Mormon Church Site (11733 Florence Ave.) | Developer interest | No | No | Church | 2022 Assessor Roll Land Value: \$316,496 Improvement: \$907,465 | 1965 | 0.129 | No | Church |
| <u>C-6:</u> | <u>Developer</u> <u>interest</u> | Yes | No | Commercial | 2021 Assessor Roll | <u>1952</u> | 0.215 | No | Commercial plaza |

Attachment B: Site Inventory (Resources) Revisions – May 2024

Property Characteristics for Developed and Pending Projects

| Name | Interest | Vacant/Minimal Improvements | Public Ownership | Previous Uses | Building Land Value | Year built | Building Intensity - FAR | Long term leases | Building Condition |
|---------------------------------------------|------------------------|--------------------------------|--------------------------------|------------------|--------------------------------------------------------------------------------|---------------|--------------------------------|------------------------|------------------------|
| Primestor Development SRO | | | | | Land Value: \$929,244 Improvement: \$473,455 | | | | |
| C-7: Habitat for Humanity (Millergrove Dr.) | Yes – city interest | Yes | City of Santa Fe Springs | Open Space | Unknown | NA | NA | No | Vacant lot |
| Il Borgo | Developer Interest | No | No | Industrial | 2014 Assessor Roll Land Value: \$457,063 Improvement: \$468,212 | 1958 | .55 | No | Industrial building |

Attachment C: Housing Plan Program Revisions May 2024

Proposed Housing Plan program edits based on new analysis

Program 4: Homebuyer Assistance Programs

....The City will advertise these three programs through flyers, the City's website, social media, and other methods than can most effectively reach targeted residents. The materials will be provided in English and languages other than English. <u>Target assistance and information to areas with a high displacement risk such as the east side of the City (Census Tract 5042 BGs 1 and 2).</u>

Program 5: Affordable Housing Assistance [additions]

5. Facilitate development and improve site development feasibility for site V-1 through financial assistance (including below market land sales) to offset remediation cost and by pursuing grant 2 funding for site remediation strategies and cleanup.

[add at end of program]

Target assistance and information to areas with a higher displacement risk such as the east side of the City (Census Tract 5042 BGs 1 and 2) and areas with a high proportion of persons with disabilities such as the north and east side of the City (Census Tracts 5023.03 BG 5, 5027.00 BG 1 to 4, 5042.00 BG 1 and 2).

<u>Timeframe: Outreach to affordable housing developers on an annual basis and ongoing: -Release of RFP 2023; Consultant selection 2023; Surplus Land Act designation 2023; Site development 2023-2026.</u>

Program 9: Section 8 Rental Assistance Program

The Los Angeles County Development Authority (LACDA) administers the Section 8 Program on behalf of the City of Santa Fe Springs. The Section 8 program extends rental subsidies to very low-income households (50 percent AMI), including families, seniors, and persons with disabilities. The program offers a voucher that pays the difference between the current fair market rent as established by the U.S. Department of Housing and Urban Development (HUD) and what a tenant can afford to pay (i.e., 30 percent of household income). The voucher allows a tenant to choose housing that costs above the payment standard, providing the tenant pays the extra cost beyond the voucher amount. The City's role is to refer eligible residents to LACDA. Target assistance and information to areas with a high displacement risk such as the east side of the City (Census Tract 5042 BGs 1 and 2) and in areas with a higher level of renter overpayment (west and east sub areas).

Program 16

Edit text in Program 16 under Place-Based Strategies in Lower-Income Neighborhoods as follows: "Establish a priority list of investment projects in high need areas (based on factors such as environmental justice communities designation, proportion of low/moderate income households, areas with an overconcentration of estimated future RHNA capacity such as the east side of the City (Census Tract 5042 BGs 1 and 2), and opportunity index scores) by early 20262027."

(under Displacement)

Geographic Targeting: Residential neighborhoods surrounding planned Metro transit station<u>and</u> areas with a high displacement risk and an overconcentration of estimated future RHNA capacity such as the east side of the City (Census Tract 5042 BGs 1 and 2).

(under Tenant Preference)

Geographic Targeting: Focus on long-time residents living within single-family neighborhoods that

Attachment C: Housing Plan Program Revisions May 2024

no longer can afford to stay in Santa Fe Springs and the two identified sensitive communities (census tracts 5028.02 and 5029.02)-as well as areas with a high displacement risk such as the east side of the City (Census Tract 5042 BGs 1 and 2).

(under Place-Based Strategies in Lower-Income Neighborhoods/ Prepare an Urban Forest and Urban Greening Master Plan)

Special consideration should be given to areas with a high pollution burden and land use interface issues as well as the east area which is most impacted by the development of housing proposed in the RHNA site inventory).

(under Placed Based Strategies)

Establish a priority list of investment projects in high need areas (based on factors such as environmental justice communities' designation, proportion of low/moderate income households, and opportunity index scores) by 2027early 2026.

(Insert after Place-Based Strategies in Lower-Income Neighborhoods – targeting and target #s are added to existing programs)

Housing Mobility Strategies

Implement the programs, outlined in this Housing Plan, to promote housing mobility by expanding housing choices and increasing housing opportunities throughout the City:

- Program 5: Affordable Housing Assistance: Quantified Objective: Assist 3 affordable housing projects, 2 projects will be in relatively higher resource areas.
- Program 7: Accessory Dwelling Units (ADUs): Quantified Objective: 125 units, 20% will be in relatively higher resource areas. Include Section 8 Rental Assistance program participation information in ADU packet.
- Program 9: Section 8 Rental Assistance Program Maintaining at least the current level of assistance (219 voucher holders). Increase use of available HCV in relatively higher resource areas by 10%.
- Program 15: Inclusionary Housing Ordinance: Target 10% of new affordable units in relatively higher resource areas

Program 18: Housing Opportunities for Persons Living with Disabilities

Continue to support a variety of housing types to help address the diverse needs of persons living with disabilities, and work with the Eastern Los Angeles Regional Center (ELARC) to publicize information on available resources for housing and services. Evaluate the use of State and Federal funds available for supportive housing and services in conjunction with future affordable housing developments, and coordinate with affordable housing developers to apply for funds at least once during the planning period. Target assistance and information to areas with a high proportion of persons with disabilities such as the north and east side of the City (Census Tracts 5023.03 BG 5, 5027.00 BG 1 to 4, 5042.00 BG 1 and 2).

Program 20: State-owned Surplus Properties and City-owned Property

Seek housing developers for State-owned site (U-8) in Santa Fe Springs expected to be declared surplus properties available for sale. To facilitate this process, work with the California Department of Transportation and other State agencies responsible for disposition of surplus California Highway Patrol (CHP) property. The CHP property (site U-8 in the site inventory) is anticipated to

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accommodate 31 units at densities appropriate for housing affordable to lower-income households. In the event the CHP site property is not available for future housing, additional lower-income sites have been identified and added to the sites inventory.

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As noted in the Resources section, Site V-1 (MC&C) is a City-owned property and is anticipated to accommodate 179 units at densities appropriate for housing affordable to lower-income households. As of 2023, the City has released an RFP for the site assessment, selected a consultant, initiated work, and declared the property surplus consistent with the Surplus Land Act. By the end of 2025 (mid-cycle), revisit this site to see if the timing of the well abandonment is on schedule. If the abandonment is not on schedule, the City will take additional actions to satisfy the lower-income RHNA requirements. Additional action will be completed within one year. The following identifies a schedule of action for State-owned sites and Site V-1 under Timeframe.

Replace City Owned Property timeframe with this:

Timeframe

State-owned Property (Lower Income Site U-8):

- 2024: Initiate conversations to determine project replacement status
- 2025: Identify alternative course of action if the replacement project is delayed; alternative course of action will be completed within one year if necessary (end of 2026).
- 2025: Initiate process to add site to Surplus Land Act
- 2025: Consult with the State on issuing a request for proposal for State site within three months of it being declared a surplus property.
- 2027: Anticipated planning entitlements

<u>City-owned property (Lower Income Site V-1):</u>

- 2023: ECRG Grant consultant selection and work initiation;
- 2023: add site to Surplus Land Act;
- 2024: ECRG Phase 2 Grant application;
- 2025: Phase 2 ECRG grant award, consultant selection, and work initiation;
- End of 2025: site feasibility reassessment and site replacement by 2027.
- 2026 implementation of well abandonment;
- 2026-2027: issue request for proposal to solicit housing developer;
- 2027: Anticipated planning entitlements

Add to end of Prog 20:

Objective: 210 <u>lower income</u> units <u>(Site V-1: 179 lower income units; Site U-8: 31 lower income units)</u>

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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March 18, 2024

*****CORRECTED APRIL 3, 2024****

Cuong Nguyen, Acting Director Planning and Development Department City of Santa Fe Springs 11710 East Telegraph Road Santa Fe Springs, CA 90670

Dear Cuong Nguyen:

RE: Santa Fe Springs' 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Santa Fe Springs' (City) authorized modifications to the housing element that was adopted February 8, 2022. The modifications were authorized by Resolution Number 9760, received for review on January 22, 2024 and made available to the public for seven days prior to review. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element, with modifications, addresses many of the statutory requirements described in HCD's January 30, 2023 review; however, additional revisions are necessary to substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq), as follows:

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).)

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).)

Identified Sites and Affirmatively Furthering Fair Housing (AFFH): The element now explains the distribution of the regional housing need allocation (RHNA) by concentrations of different socio-economic characteristics. For example, the element explains how many lower-income RHNA units are identified in areas where 60 to 80 percent of the households are low and moderate income. While this information and analysis is useful, the element should also explain the RHNA,

including approved and pipeline projects, by income group by location and the various socio-economic characteristics. For example, the analysis could identify the RHNA by income group by census tract, planning area or other geographic unit and socio-economic characteristics such as race, income, resource category, overpayment and overcrowding. This analysis should also consider the existing number of households to better examine the impacts of the RHNA on socio-economic patterns. Finally, the analysis should specifically address any isolation of the RHNA by income group or lack of identifying the RHNA in some locations. HCD will send examples under separate cover.

<u>Programs</u>: Based on the outcomes of a complete analysis, the element should add or modify programs to AFFH. In addition, the element now includes many meaningful actions to AFFH through Program 16 (Affirmatively Furthering Fair Housing), but actions to establish a priority list of investment projects in high need areas should include discrete timing earlier in the planning period (e.g., 2025).

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).)

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... (Gov. Code, § 65583, subd. (c)(1).)

<u>Suitability of Nonvacant Sites</u>: The element now describes that sites for the moderate and above moderate income RHNA were identified based on meeting various criteria (e.g., existing use, land value, year built, floor area ratio, building conditions) and that these criteria were based on trends in the region. However, the element should discuss how trends in the region support the utilized criteria. For example, the element could list recently built, approved or pipeline projects by the various criteria for the prior use.

<u>Publicly owned Sites</u>: The element now includes a schedule for potential development of Site V-1 (MC and C Site) but should still discuss any other known barriers or relevant factors and impacts on the timing of development in the planning period.

<u>Electronic Sites Inventory</u>: 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.

Zoning for a Variety of Housing Types (Emergency Shelters): The element must meet new requirements related to emergency shelters (AB 2339). While the element includes Program 23 (Mid-Cycle Review) to review new laws in the future, it should address these requirements as part of the City's next submittal. For example, the element should discuss the definition of emergency shelters, zones and capacity allowing residential uses, including proximity to transportation and other services and demonstrate sufficient capacity based on prescribed methods. For more information, see HCD's memo at https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf.

<u>Programs</u>: As noted above, 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.

In addition: Program 11 (State and City-owned Property) should still commit to numerical objectives consistent with the assumptions in the sites inventory, discrete timelines (e.g., by 2026) for issuing a request for proposals, facilitating entitlement, issuing building permits and when alternative actions will be completed, if necessary.

The element will meet the statutory requirements of State Housing Element Law once it has been revised, re-adopted, if necessary, submitted, and reviewed by HCD to comply with the above requirements pursuant to Government Code section 65585.

As a reminder, the City's 6th cycle housing element was due October 15, 2021. As of today, the City has not completed the housing element process for the 6th cycle. The City's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the City to revise the element as described above, adopt, and submit to HCD to regain housing element compliance.

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that did not adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones to make prior identified sites available or accommodate a shortfall of sites (Program 11 – Zoning Code Revisions) pursuant to Government Code sections 65583, subdivision (c)(1)(A) and 65583.2, subdivision (c) are completed. As this year has passed, the housing element is out of compliance and will remain out of compliance until all necessary rezonings have been completed.

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. Additionally, pursuant to Government Code section 65585, subdivision (b) (AB 215, Statutes of 2021), any subsequent draft revision, the local government must post the draft revisions on its website and email a link to all individuals and organizations that have previous requested notices related to local governments housing element at least seven days before resubmitting to HCD.

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: https://www.opr.ca.gov/planning/general-plan/guidelines.html.

HCD 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 me at paul.mcdougall@hcd.ca.gov.

Sincerely,

Paul McDougall

Senior Program Manager