

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

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July 26, 2022

*****CORRECTED COPY*****

John Nachbar, City Manager
City of Culver City
9770 Culver Blvd.
Culver City, CA 90232

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

Dear John Nachbar:

Thank you for submitting the City of Culver City's (City) housing element adopted on January 24, 2022 and received for review on February 22, 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. In addition, HCD considered comments from several stakeholders and members of the community (listed in Appendix B), pursuant to Government Code section 65585, subdivision (c).

The adopted housing element addresses many statutory requirements described in HCD's November 8, 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. 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 previously requested notices related to local governments housing element at least seven days before resubmitting to HCD.

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.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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 A CITY OF CULVER CITY

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 furthering 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).)*

Concentrated Areas of Affluence: HCD's prior review found the element should analyze higher income areas (greater than \$125,000) relative to other block groups in the City and relative to the region, including addressing identified sites by income group in these areas and whether sites affirmatively further fair housing (AFFH). In response, the element includes minimal information; reporting that some areas have higher incomes than others. However, the element must evaluate these differences. For example, the element should discuss any trends related to these differences and areas, how these areas relate to other components of the assessment of fair housing (e.g., concentrations of lower and moderate-income households, overpayment, displacement, etc.), other relevant factors that might have led to differences and any local data and knowledge that might explain differences in quality of life (e.g., infrastructure, parks, community amenities). Finally, the element should evaluate the City as a whole compared to the region. With a complete analysis, the element should re-assess contributing factors to formulate appropriate goals and actions with metrics and milestones.

Local Data and Knowledge: As noted in the prior review, the element should consider other local data and knowledge to complete the AFFH analysis. Examples include input from neighborhoods such as the identified Racial/Ethnic Concentrated Areas of Poverty (R/E CAP), knowledge from local planners and city administrators and city records and reports. This data and knowledge should supplement the data to complete an analysis for all the components of an assessment of fair housing (e.g., segregation and integration, disparities in access to opportunity, disproportionate housing needs).

Contributing Factors to Fair Housing Issues: Based on the outcomes of a complete analysis, the element should re-assess and prioritize contributing factors to fair housing issues.

Goals, Actions, Metrics, and Milestones: 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.

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).)*

Progress in Meeting the Regional Housing Need Allocation (RHNA): The element was revised to demonstrate the affordability of approved and pending projects. However, with respect to the availability of these projects in the planning period, the element simply concludes all projects are expected to be permitted in the eight-year planning period. Instead, the element should provide some supporting information for this conclusion, particularly for the Culver City project given its significant role in accommodating the RHNA. For example, the element could discuss consistency with the general plan and zoning; all necessary approvals and likely completion dates; anticipated construction schedule; and could include a program to pursue alternatives (e.g., rezoning additional sites) if the project does not move forward as planned.

Realistic Capacity: While the element now includes supporting information for assumptions related to calculating residential capacity, it must still account for the likelihood of 100 percent nonresidential uses in the calculation of residential capacity. Please see HCD's prior review for additional information.

Suitability of Nonvacant Sites: The element includes some additional information related to market conditions. However, the element must still explain how trends support factors utilized to demonstrate the potential for additional development and evaluate the extent existing uses impeded additional development and demonstrate the uses will likely discontinue in the planning period. For example, the element must analyze any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development during the planning period. Please see HCD's prior review for additional information.

In addition, for your information, the element relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, which triggers requirements to make findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period. While the resolution of adoption includes the appropriate findings, any changes to the analysis should be reflected in future re-adoption of the element.

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).)*

Fees and Exactions: The element included some general information, concluded fees are not a constraint because nearby jurisdictions have similar fees and then includes actions with indirect and unclear commitment and beneficial impact (e.g., “consider”, “may”). However, the element must include analysis beyond a comparison of other jurisdiction who also might significantly constrain development. As noted in the prior review, the analysis should specifically evaluate planning fees, why these fees are so high and consider more direct and clear mitigation strategies.

Processing and Permit Procedures: The element indicates some findings of approval may be constraints and includes a program to establish objective standards. However, this program action (Measure 4) should specifically commit to also revise findings of approval to reflect how objective standards will be implemented to promote approval certainty.

Housing for Persons with Disabilities:

- *Reasonable Accommodation*: The element now lists approval findings for reasonable accommodations, but it should also evaluate those findings. For example, the procedure essentially includes a compatibility or use permit finding which should be removed.
- *Group Homes for Seven or More Persons*: HCD’s prior review found group homes appear to be subject to a use permit and five-acre minimum lot size requirement. The element now includes programs to “address” large care facilities as similar uses and “evaluate” the minimum lot size requirement. However, these actions should specifically commit to revise or replace procedures with objectivity and approval certainty and significantly reduce (same as other residential uses) or remove the minimum lot size requirement.

B. Housing Programs

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 through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions. (Gov. Code, § 65583, subd. (c).)

Several revisions were made to Programs containing unclear commitments (e.g., “Continue to facilitate”; “Annually work with”; “Explore”; “Consider”; “Encourage”; etc.) and should be amended to include more specific and measurable actions. To have a beneficial impact in the planning period and address the goals of the housing element, programs must be revised with discrete timelines and specific and clear commitment to outcomes. Programs and Measures to be revised with specific and clear commitment to outcomes include:

- *Measure 1F (Affordable Housing Development Assistance)* was revised to “consider” exempting multifamily housing from the Mobility Improvement Fee (p.85). However, as described in the previous letter, discrete timelines and specific, and clear commitments to outcomes are necessary. To have a beneficial impact, the word 'consider' should be removed or the phrasing revised in a manner that will result in an outcome. Additionally, the schedule for the program was revised to describe coordination between internal departments. However, as mentioned in the previous letter, the measure should be revised to include discrete timelines such as how often the housing authority will coordinate with other departments and how often the City will proactively reach out to developers to identify development opportunities.
- *Measure 6E (Homebuyer Assistance)* should be revised with actions beyond “considering allocating a portion of the inclusionary and linkage fee” with a commitment to an outcome in the planning period.

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, 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 was 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, Measure 4A (Adequate Sites for RHNA) still must be revised to meet all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). For example, at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only or meet other specified standards related to mixed-use development. In addition, the Measure should identify a minimum acreage to be rezoned in the planning period and commit to establish development standards that encourage achieving maximum densities and do not constrain development.

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 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... (Gov. Code, § 65583, subd. (c)(5).)*

As noted in Finding A1, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs.

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)(9).)

The City made efforts to reach the public, including hosting events during the weekend. Nonetheless, several comments questioned the suitability of nonvacant sites and the likelihood of redevelopment during the planning period, and these issues must be addressed. Based on comments received, the City should also address the voter-led height maximum along commercial corridors as well as some of the sites cited as unlikely for redevelopment, including the Del Taco/ Petrelli Steakhouse site, and the Culver Center Regency Project. Additionally, the City may consider establishing a firm commitment date for the new General Plan land use map as well as a date for reducing parking requirements or setting parking maximums. The City may also consider Accessory Commercial Units (ACUs) as a way to increase access to opportunity and reduce Vehicle Miles Traveled (VMT).

Finally, several comments were received expressing concerns with the Incremental Infill Program and these comments should be appropriately addressed. For example, the City could clarify its role in facilitating and complying with Senate Bill 9, effective January 1, 2022, which allows for lot splits and duplexes in single unit neighborhoods.

**APPENDIX B
CITY OF CULVER CITY**

The following list comprises the names of individuals and entities who submitted public comments to HCD for the Culver City 6th Cycle Draft Housing.

Amy Agzarian	Linda Catanzano	Rosemary Edmeads
Anita Agzarian	Ron Cavagrotti	Goran Erickson
Mark Akita	Chak Chie	Meshagali Farid
Erik Akutagawa	Marla Coburn	Michael Fate
Albert Albatros	Pamela Collingwood	Doug Felts
Debbie Andorka	Susan Corzel	Alex Fisch
Carol Ball	Common Sense Culver City	Emily Fisher
Hayley Babcock	John Dagenais	Evan Fisher
Katie Baral	Joan Davidson	Eric Frans
David J. Barboza, AICP	DiAnn Davis	Esmeralda Fucci
Charles Barlow	DiAnn Davis	Bill & Carol Gallagher
Annette Bayley	Patricia Davis	Paul Gansky
Tim Bayley	Scott Davis	Janet Gegan
Carolyn Bosil	Suzanne De Benedittis	Jerry Green
Jeff Bossin	Ofelia De Los Santos	Neil Greenburg
Sharon Pelton Bowman	Anthony Dedousis	Iain M. Gulin
Cecilia Britton	Pamela Dennis	Safia Gutierrez
Gary Brown	John Derevlany	R. Joey Handley
Matt Brown	Tim deZarn	Roslyn Henderson
Greg Cahill	Concezio Di Gregorio	Ken Hoyt
Greg Campbell	Carol Diamond	Mie & Wayne Jones
Constance Carlson	George Dougherty	Stephen Jones
Michael Castro	Anne Easley	David Kellogg
		Suzi Joi Kiefer

Marla Koosed	Kim Richards	Patricia Ward
Kevin Kunisaki	Anthony Rizzo	Steve Weber
Debbie Lee	Victoria Rosenfield	Linda Wheelehorn
Annie Lefton	Joan Salvaterra	Bryon Wilson
Philip Lelyveld	Wendy Salz	Janet Wilson
Rhonda Lilly	Bryan Sanders	Edward M. Wolkowitz
Amy Loftus	R. Sergant	Jo Ellen Young
Robert Lurie	Karim Shahabi	David Zandel
Ronna Magy	Claire Sheftel	Lily Zandel
Fedor Malikov	Michael Sheldon	Linda Zapel
James Meehan	Steve Siegel	Adelaide Zimmerman
Megan Meloth	Patrick & Cecilia Stadler	
Diane Miller	Jeannine Wisnosky Stehlin	
Scott Miyamoto	Diane Steinberg	
Tindara Molica	Peter Stern	
Steve Mullen	Coco Stewart	
Ken Niles	Peter Stewart	
Cecil Nielsen	David Stout	
Brian Owns	Brent Taravella	
Dennis B. Page	Vikram Thakur	
Amy Palmer	Mark Trux	
Espie Perdomo	Ross Urquhart	
Judith Penchansky	Daniel Valdez	
Oliver Penchansky	Martha Valdez	
Helen Pinkston	Albert Vera	
Annie L. Pinkser-Brown	Darcy Vernier	
Vicki Daly Redholtz	Jill Vesci	
Judy Reichel	Jamie Wallace	