

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

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May 23, 2023

Rosanna Bayon Moore, City Administrator  
Planning & Building Department  
City of Piedmont  
120 Vista Avenue  
Piedmont, CA 94611

Dear Rosanna Bayon Moore:

**RE: City of Piedmont's 6<sup>th</sup> Cycle (2023-2031) Adopted Housing Element**

Thank you for submitting the City of Piedmont's (City) housing element that was adopted March 20, 2023 and received for review on March 24, 2023, along with technical modifications received on May 9, 2023 (as authorized by Resolution # 22-2023). 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, pursuant to Government Code section 65585, subdivision (c).

The adopted housing element addresses many statutory requirements described in HCD's February 16, 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 identifies the regional housing need allocation (RHNA) by income group and census tract relative to various fair housing factors. In addition, the element explains the RHNA, particularly for lower-income households, is not isolated on the perimeter of the City because of the size of the City. However, the element should analyze identified sites and the RHNA by a geography smaller than census tracts

given the size of the City. For example, the analysis could be conducted on a neighborhood level. Further, the analysis should address the location of the above moderate RHNA. With this information, the element should then evaluate isolation of the RHNA by income group and add or modify programs to promote more housing choices and affordability throughout the City, including identifying additional sites with a variety of housing choices and affordability not located on the perimeter of the City.

Goals, Actions, Milestones and Metrics: As noted above, the element must include a complete assessment of fair housing. Based on the outcomes of that analysis, the element must add or modify programs. 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 commitments, milestones, geographic targeting, and metrics or numerical targets and, as appropriate, must address housing mobility enhancement (more choices and affordability across geographies), new housing choices and affordability in higher opportunity and income areas (e.g., missing middle housing types), place-based strategies for community preservation and revitalization and displacement protection. Particularly, the element must include significant and meaningful action to enhance housing mobility. 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).)*

*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).)*

Nonvacant Sites: The element was revised to include some site-by-site narrative on the redevelopment potential. However, as noted in the prior review, the element should evaluate the existing uses and describe whether the existing uses are anticipated to be razed or if the site will be intensified with existing uses remaining. If so, as noted in the prior review, the element should describe whether the needed parking is an impediment. The element should also discuss any indicators that the properties will turnover in the planning period such as property owner or developer interest, expiring leases, vacancy, marginal operations, lack of improvements or lack of market demand for the use. While some sites provide some of these indicators of property turnover, other sites (e.g., Citibank & Mulberry's Market)

have undergone significant capital improvements, such as replacement of HVAC systems and little no information is provided on lease expiries, market demand for existing uses and vacancy statuses.

Environmental Constraints: The element was revised to describe possible environmental constraints for the Moraga Canyon Specific Plan sites but should provide more site specific information for other sites in the inventory as well as addressing any other known constraints. Please see HCD's prior review for additional information.

Electronic Copy of the Sites Inventory: For your information, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov) for technical assistance.

Programs: 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 1.L (Specific Plan) was revised to commit to complying with the Surplus Land Act, but still must commit to a schedule of actions that facilitate development including finalizing necessary entitlements, issuing building permits by a specified date, and evaluating progress by a specified date and if necessary, identifying alternative sites by a specified date to maintain adequate sites to accommodate the RHNA throughout the planning period.

- 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... (Gov. Code, § 65583, subd. (c)(3).)*

Programs 4.G (Monitoring the City Charter) and 4.H (Modifying the Charter): The element was revised to describe some components of the City Charter and commits to an annual review of its charter to consider amending the voting requirements for reclassifying zones (p. 66). However, it remains unclear what specific alternative actions will be taken to address the constraint if the Charter is not amended by a specific date. Please see HCD's prior review for additional information.

4. *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).)*

While the City made some modifications to its summary of public comments (p. 21), the City should still employ additional methods for public outreach efforts in the future, particularly to include lower-income and special needs households or representatives. For example, the City could conduct targeted stakeholder interviews or establish a committee representative of lower-income households in future public outreach efforts. In addition, the City should respond to specific public comments on this review and should also discuss how those comments were incorporated into the elements.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and re-adopted, if necessary, to comply with the above requirements.

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. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

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 (January 31, 2023), then any rezoning to make prior identified sites available or accommodate the RHNA, including for lower-income households, shall be completed no later than one year from the statutory deadline. Please be aware, if the City fails to adopt a compliant housing element within one year from the statutory deadline, the element cannot be found in substantial compliance until all necessary rezones pursuant to Government Code sections 65583, subdivision (c)(1) and 65583.2, subdivision (c) are completed.

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 appreciates the hard work and dedication you, Kevin Jackson, Pierce Macdonald, as well as your consultants, Kathryn Slama and David Bergman, provided in preparation of the City's housing element. If you have any questions or need additional technical assistance, please contact Shawn Danino, of our staff, at [shawn.danino@hcd.ca.gov](mailto:shawn.danino@hcd.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall  
Senior Program Manager