

COMMUNITY DEVELOPMENT DEPARTMENT PLANNING STAFF REPORT

AGENDA ITEM NO.: C.4.	SITE LOCATION: Citywide
HEARING DATE: September 21, 2023	GENERAL PLAN: N/A
CASE NO.: General Plan Amendment No. GPA-002-2023 and Amendment No. A-037-2023	ZONE: N/A
APPLICANT: City of Garden Grove	CEQA DETERMINATION: FGPUZA EIR

REQUEST:

A request for the Garden Grove Planning Commission to hold a public hearing and consider recommending that the City Council: (i) adopt a General Plan Amendment (GPA-002-2023), which includes updates to the Adopted 2021-2029 Housing Element and an amendment to the Land Use Element to change the Land Use Designation of a property located at 13621 Harbor Boulevard (Assessor’s Parcel No. 100-123-01), from Industrial (I) to International West Mixed Use (IW); and (ii) adopt a Zoning Map Amendment (A-037-2023) to revise the Zoning Map to implement the updates to the Housing Element and to clarify the sites intended to be included in the International West Mixed Use Overlay and the Industrial/Residential Mixed Use 1 Overlay pursuant to Ordinance No. 2925. The focus of the General Plan and Zoning Map Amendments is to comply with State law provisions and resolve comments received from the California Department of Housing and Community Development (“HCD”) on the adopted 2021-2029 Housing Element, in order to obtain HCD certification of the City’s Housing Element.

In conjunction with this request, the City of Garden Grove will consider a determination that no further review under the California Environmental Quality Act (“CEQA”) is required pursuant to Public Resources Code Section 21166 and CEQA Guidelines Sections 15168 and 15162 because the proposed General Plan and zoning amendments implement the General Plan update analyzed in the City of Garden Grove Focused General Plan Update and Zoning Amendments Environmental Impact Report, State Clearinghouse No. 2021060714 (“Garden Grove General Plan Update and Focused Zoning Amendments”), potential impacts of the General Plan and zoning amendments fall within the scope of the General Plan Update EIR, and the General Plan and zoning amendments will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts.

BACKGROUND:

The Housing Element, a State-required chapter of the City's General Plan, identifies programs and policies to further the goal of meeting the housing needs of existing and future residents for the production of safe, decent, and affordable housing for all persons in the community. This plan is required by State Housing Law and must be updated every eight years. Furthermore, the Housing Element must be certified by HCD.

The Regional Housing Needs Assessment ("RHNA") is mandated by State Housing Law as part of the periodic process of updating local Housing Elements of General Plans. The RHNA quantifies the housing need, for all income levels, within each jurisdiction. The City is currently in the 2021-2029 planning period, also known as the 6th cycle RHNA. HCD determines the RHNA for each region of California. The RHNA for the Southern California region is 1.3 million housing units. The Southern California Association of Governments ("SCAG") established a methodology that quantified the RHNA for each jurisdiction. Garden Grove's RHNA allocation for the 2021-2029 planning period was determined to be 19,168 housing units. Throughout the process, leading up to SCAG's adoption of the final RHNA methodology, Garden Grove submitted multiple letters to HCD and SCAG voicing concerns with the RHNA methodology being considered. Copies of the City's protest letters to HCD and SCAG are available online on the City's Housing Element website (<https://ggcity.org/housing-element>).

The State of California required the City of Garden Grove to plan for 19,168 future homes to accommodate population, employment, and household growth in the region. State Housing Law also requires cities to specify exact locations where new housing can feasibly be added – this is called Sites Inventory. In October of 2020, the City officially submitted two (2) applications to SCAG to appeal its RHNA allocation. Both appeals were subsequently denied by SCAG. Copies of the City's appeal letters to SCAG are available online on the City's Housing Element website (<https://ggcity.org/housing-element>).

In August of 2020, the City launched a comprehensive public outreach and community engagement plan to educate and inform the public on matters related to the Housing Element and RHNA. The City identified key audiences and engagement methods to encourage participation from a broad cross-section of the Garden Grove community, representative of the City's diverse cultural groups, income levels, ages, and interests, with a particular focus on reaching out to Disadvantaged Community ("DAC") areas of the city. The City used a wide variety of public engagement tools and methods, which included:

- City Council, stakeholder, and focus group interviews
- Community forums and workshops
- Written surveys
- Online mapping surveys
- Study sessions, open to the public, with the Planning Commission, City Council, and Neighborhood Improvement and Conservation Commission

- Dedicated Housing Element Update website
- Social media
- Press releases
- Housing Element 101 video
- Email blasts
- Online and hard copy flyers
- Newsletters

Submission of the Initial Draft of the 2021-2029 Housing Element to HCD

On July 14, 2021, the City of Garden Grove submitted its initial Draft Housing Element to HCD for review. The City received informal comments from HCD Staff on September 8, 2021, and also received a report of findings on September 10, 2021 (see Attachment 1).

City Council Adoption of the Revised Draft 2021-2029 Housing Element

The Garden Grove City Council conducted a public hearing and deliberated upon the Revised Draft Housing Element at its November 9, 2021 meeting, where a public comment period was made available. After Council deliberation, the Council unanimously voted to adopt the Revised Draft 2021-2029 Housing Element, which had been revised in response to previous comments (from the HCD Comment Letter dated September 10, 2021) received from HCD. In addition to adopting the Housing Element, the City Council also concurrently adopted amendments to the Safety Element; adopted a new Environmental Justice Element; adopted revisions to the Land Use Element; adopted zoning text and map changes to address the changes to the Housing Element and Land Use Element; and certified the Program Environmental Impact Report.

The Adopted 2021-2029 Housing Element (the "Adopted Housing Element") is available online on the City's Website (<https://ggcity.org/planning/general-plan>).

1st Submittal - Formal Submission of Adopted Housing Element to HCD

Subsequent to the City Council's adoption of the 2021-2029 Housing Element, the City formally submitted the Adopted Housing Element to HCD for its review on November 12, 2021.

2nd Submittal - Formal Submission of Draft Revised Adopted 2021-2029 Housing Element to HCD

Following HCD's formal review of the Adopted Housing Element submitted on November 12, 2021, the City received a formal response letter from HCD dated February 10, 2022 (see Attachment 2). On November 18, 2022, the City formally submitted its Draft Revised Adopted 2021-2029 Housing Element to HCD for its review and to receive a report of findings. During HCD Staff's review of the submitted Draft Revised Adopted 2021-2029 Housing Element, informal comments were provided to City Staff in January 2023, which were related to Program 4

(Affordable Housing Construction) and Program 18 (Affirmatively Furthering Fair Housing). The City submitted a letter to HCD, dated May 4, 2023 (see Attachment 3), responding to HCD's informal comments regarding Programs 4 and 18.

3rd Submittal – Formal Submission of Draft Revised Adopted 2021-2029 Housing Element to HCD

On June 20, 2023, the City of Garden Grove formally submitted an updated version of the Draft Revised Adopted 2021-2029 Housing Element, which included revisions and additions made in response to the informal comments received from HCD Staff as part of its review of the November 2022 version of Draft Revised Adopted 2021-2029 Housing Element.

The June 2023 version of the Draft Revised Adopted 2021-2029 Housing Element is available online on the City's Website (<https://ggcity.org/housing-element>).

HCD Letter of Substantial Compliance - August 14, 2023

On August 14, 2023, the City received a formal response letter (see Attachment 4) from HCD reporting the results of its review of the City's June 2023 Draft Revised Adopted 2021-2029 Housing Element submission. The letter, in part, states that HCD had found the City's submitted Draft Housing Element to "substantially comply with State Housing Element Law" and that it "meets statutory requirements". The letter further indicates that the City must make specific findings related to non-vacant sites as part of the resolution adopting the Housing Element.

On August 17, 2023 and August 22, 2023, City Staff presented an update to the Planning Commission and City Council, respectively, during their meetings, which are open to the public, and provided the following: An overview of the Housing Element and RHNA; highlighted community engagement conducted related to the Housing Element and RHNA; overview of the proposed revisions to the Adopted Housing Element; and discussed the current status of the Housing Element and the next steps in the process. Prior to the September 21, 2023, Planning Commission meeting, a link to the digital copy of the June 2023 version of the Draft Revised Adopted 2021-2029 Housing Element was provided to the Planning Commission and also made available on the City's Housing Element website (<https://ggcity.org/housing-element>).

DISCUSSION:

General Plan Amendment:

The Adopted 2021-2029 Housing Element ("Adopted Housing Element"), which is Chapter 12 of the City's General Plan, consists of the following sections:

- 12.1 - Introduction
- 12.2 - Community Profile/Housing Needs Assessment
- 12.3 - Constraints on Housing Development

- 12.4 - Housing Resources
- 12.5 - Housing Plan
- 12.6 - 2014-2021 Housing Element Program Accomplishments

The proposed General Plan Amendment will make updates to the Adopted Housing Element, as reflected in the redlined changes shown in the June 2023 version of the Draft Revised Adopted 2021-2029 Housing Element, which was formally submitted for review to HCD in June 2023. Said changes/updates were made to resolve comments received from HCD in its formal response letter dated February 10, 2022, including additional informal comments received in January 2023. As mentioned prior, in HCD's August 14, 2023, letter of substantial compliance to the City, the June 2023 version of the Draft Revised Adopted 2021-2029 Housing Element, inclusive of the redlined changes and updates, was deemed by HCD to "substantially comply with State Housing Element Law" and that the Housing Element "meets statutory requirements."

Proposed updates to Sections 12.2 through 12.6 of the Adopted Housing Element, which were made in response to HCD's comments, generally consist of the following:

- Provided updated homelessness data points in various sections;
- Updated Section 12.3 (Constraints on Housing Development), to specify that focused zoning amendments were adopted by the City in 2022;
- Provided additional information and data to Section 12.3.4 (Fair Housing Assessment) relating to National and Regional Fair Housing Trends, Affirmatively Furthering Fair Housing ("AFFH") community outreach, historic patterns of segregation in Orange County, and government actions;
- Provided additional data and maps/exhibits to Section 12.3.4 (Fair Housing Assessment) relating to Education, Environmental Justice, Transportation, Employment/Economic, and new TCAC (Tax Credit Allocation Committee) opportunity maps;
- Provided additional information and data to Section 12.3.4 (Fair Housing Assessment) relating to cost burden (overpayment), overcrowding, substandard housing, homelessness, displacement risk, and disproportionate housing needs;
- Provided additional information and data to Section 12.4 (Housing Resources) relating to updated housing development capacity assumptions, provided local and regional housing trends data, provided regional mixed-use and affordable housing trends;
- Provided additional information to Section 12.4 (Housing Resources), relating to a comprehensive analysis of industrial sites identified for lower income RHNA;
- Updated Section 12.4 (Housing Resources) to include a comprehensive criteria for sites to meet the lower income RHNA;
- Updated Section 12.4 (Housing Resources) to discuss the Housing Sites Inventory consistency with AFFH;
- Updated Section 12.5 (Housing Plan) to include new policies to address AFFH;

- Updated Section 12.5 (Housing Plan) to include revisions to Program 4 (Affordable Housing Construction), Program 17 (Zoning Code Amendment Program), Program 18 (AFFH), Program 19 (Homeless Housing Needs), and Program 24 (SB 9); and
- Updated Section 12.6 (2014-2021 Housing Element Program Accomplishments) to identify the City's accomplishments in the prior 2014-2021 Housing Element planning period for its progress in addressing special needs housing.

Detailed summaries of the proposed updates to Sections 12.2 through 12.6 of the Adopted Housing Element are provided in the attached Table A "Responses to HCD Comments Matrix" (see Attachment 5).

Revision to the Housing Element Sites Inventory

The Housing Element's Sites Inventory identifies opportunity areas, or sites, that demonstrate feasibility to be redeveloped with residential units during the planning period. Because Garden Grove is an entirely built out city with very limited vacant land available, a large majority of the properties identified in the Sites Inventory are underutilized nonvacant sites. In HCD's formal comment letter dated February 10, 2022, HCD Staff requested additional analysis, specifically for lower-income sites, demonstrating that existing uses on nonvacant sites would not be an impediment to additional residential development and are likely to discontinue during the planning period.

To demonstrate the suitability of nonvacant sites for the lower-income RHNA, a robust set of criteria called, "Criteria for Selecting Sites to Meet the Lower-Income RHNA", was created and then applied to the lower-income sites in the Adopted Housing Element. The suitability criteria considers several qualifying factors such as, but not limited to: Developer interest to redevelop the site with housing; vacant lots; building/land value with property improvement value that is less than half of the land value; the year the structure was built; low existing floor area ratio ("FAR"); no existing tenants or existing leases to expire early within the planning period; and deteriorating building condition and/or high tenant vacancy. After applying the new criteria to the existing list of properties in the Sites Inventory of the Adopted Housing Element, the full list of sites inventory properties (approximately 2,000 properties) in the Detailed Sites Inventory (Appendix B) was re-reviewed to determine necessary revisions/updates to the Sites Inventory, which consisted of: the addition of fifteen (15) properties to the Sites Inventory; the removal of four (4) properties from the Sites Inventory to address typographical issues and to reflect current development conditions; the correction of typographical errors related to lot acreage, maximum density, and realistic capacity; and the re-designation of the RHNA income category of a number of existing sites. The revisions/updates to the Sites Inventory address HCD's request for additional analysis of nonvacant sites for lower-income households and also ensures the City's total RHNA accommodates the housing needs for all income levels. A copy of the full Detailed Sites Inventory, which includes redlines showing

the proposed updates, is available in Appendix B of the Draft Revised Adopted 2021-2029 Housing Element.

In conjunction with the updates to the Sites Inventory, an amendment to the City's General Plan Land Use Map is proposed to modify the General Plan Land Use Designation of a Sites Inventory property, located at 13621 Harbor Boulevard (Assessor's Parcel No. 100-123-01), from Industrial (I) to International West Mixed Use (IW). The IW designation is intended to provide for a mix of uses including higher density residential, and allows residential densities of up to 70 dwelling units per acre. The abutting property to the east, located at 13631 Harbor Boulevard (Assessor's Parcel No. 100-123-02), is already included in the Sites Inventory of the Adopted Housing Element. Both properties, while separate, are connected and function as a single integrated development with reciprocal access. Both properties are also under the same ownership. When the Adopted Housing Element was approved in 2021, the rear portion of this development (13621 Harbor Boulevard) was mistakenly not included in the Sites Inventory – although it should have been, given that both properties comprise of a single integrated development. Therefore, the intent of the proposed General Plan Amendment is to rectify this error by facilitating the property's inclusion into the Sites Inventory, and to establish the IW designation to allow residential development.

Zoning Map Amendment:

The proposed Zoning Map Amendment will revise the City's Official Zoning Map to implement the updates to the Housing Element. Eleven (11) properties that are to be added to the Sites Inventory will have (through the proposed General Plan Amendment) or already have an underlying General Plan Land Use Designation that allows residential development, such as the International West Mixed Use or Industrial/Residential Mixed Use 1 General Plan Land Use Designations. However, the zoning of said properties does not allow residential development. Therefore, the proposed Zoning Map Amendment will revise the City's Official Zoning Map to cover one (1) property with the International West Mixed Use Overlay and cover ten (10) properties with the Industrial/Residential Mixed Use 1 Overlay. The purpose of the Mixed Use Overlay zone is to allow for residential and mixed-use development to be allowed in addition to those uses regulated by the respective underlying zoning.

The proposed Zoning Map Amendment will also clarify sites intended to be included in the International West Mixed Use Overlay and the Industrial/Residential Mixed Use 1 Overlay, pursuant to Ordinance No. 2925.

On December 14, 2021, the City Council adopted Ordinance No. 2925 (see Attachment 6) approving Zoning Amendment No. A-031-2021 to implement the General Plan Housing Element and Land Use Element updates adopted by the City Council on November 9, 2021. Pursuant to Ordinance No. 2925, the City Council added Section 9.18.190 to the Garden Grove Municipal Code creating the Mixed Use Overlay (MU) Zone, which includes the International West Mixed Use Overlay, the Industrial/Residential Mixed Use 1 Overlay, and the Residential/Commercial Mixed

Use 2 Residential Overlay. Maps attached as Exhibits A-D and a list of parcels attached as Exhibit E to Ordinance No. 2925 purport to show the properties included in the Mixed Use Overlay Zone and each of the three separate Overlays. Upon further review, Staff discovered a clerical discrepancy involving fifteen (15) properties that were shown on the Exhibit A and C maps as being included in the International West Mixed Use Overlay and the Industrial/Residential Mixed Use 1 Overlay, but which were inadvertently not listed in Exhibit E. The proposed Zoning amendment will correct this clerical discrepancy by including these properties in Exhibit E listing all of the parcels to which the Mixed Use Overlay (MU) Zone is intended to apply.

The ordinance approving the proposed Zoning Map Amendment (A-037-2023) will include updated exhibits (Exhibits A, C, and E) to reflect the proposed updates to the Housing Element and to fix the clerical errors discovered (See Exhibit A to proposed Resolution No. 6069-23).

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to CEQA, subsequent discretionary actions within the scope of a program environmental impact report may be approved without further environmental review if they would not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts. (Public Resources Code Section 21166; CEQA Guidelines Sections 15168, 15162.) Whether a later activity is within the scope of a Program EIR is a factual question that the lead agency determines based on substantial evidence in the record. Factors that an agency may consider in making that determination include, but are not limited to, consistency of the later activity with the type of allowable land use, overall planned density and building intensity, geographic area analyzed for environmental impacts, and covered infrastructure, as described in the Program EIR. CEQA does not mandate any specific procedure that a lead agency must use to determine whether later activities are within the scope of the prior Program EIR or whether any subsequent environmental review is required.

On November 9, 2021, the City Council certified a comprehensive programmatic Environmental Impact Report for the Focused General Plan Update and Zoning Amendments ("GPEIR"). The GPEIR analyzed the potential programmatic environmental impacts of adding 19,251 potential housing units. The proposed revised Housing Element, which HCD indicates meets the requirements of State law, calls for the addition of 19,239 units. This constitutes 12 fewer units than previously analyzed in the GPEIR. In other words, the current Housing Element is consistent with the types of allowable land uses and the overall density previously analyzed in the GPEIR. Thus, the proposed revised Housing Element is within the scope of the GPEIR and its potential environmental impacts would either be equivalent to, or slightly decreased from, those identified in the GPEIR. Further, adding the new site located at 13621 Harbor Boulevard to the Sites Inventory will not increase the overall unit yield since minor adjustments have been made on other sites. The proposed Zoning Map Amendments implement the proposed updates to the Housing Element. On this basis, the proposed Housing Element and

Zoning Map amendments would not result in any new significant impacts or a substantial increase in the severity of any previously identified significant impacts. Accordingly, City staff believes no further CEQA analysis is required. (See Attachment 7 for a detailed analysis supporting this conclusion.)

RECOMMENDATION:

Staff recommends that the Planning Commission take the following actions:

1. Conduct a public hearing;
2. Adopt Resolution No. 6069-23 recommending that the City Council Adopt General Plan Amendment No. GPA-002-2023 (i) to revise and update the Adopted 2021-2029 Housing Element consistent with the changes reflected in the June 2023 draft approved by HCD and to make additional non-substantive typographical corrections; and (ii) to amend the General Plan Land Use Designation of a property located at 13621 Harbor Boulevard (Assessor's Parcel No. 100-123-01), from Industrial (I) to International West Mixed Use (IW); and
3. Adopt Resolution No. 6070-23 recommending that the City Council approve Zoning Map Amendment No. A-037-2023 to revise the Zoning Map to implement the updates to the Housing Element and to clarify the sites intended to be included in the International West Mixed-Use Overlay or the Industrial/Residential Mixed Use 1 Overlay pursuant to Ordinance No. 2925.



Maria Parra
Planning Services Manager



Chris Chung
Senior Planner

- Attachment 1: [HCD Comment Letter dated September 10, 2021](#)
- Attachment 2: [HCD Comment Letter dated February 10, 2022](#)
- Attachment 3: [Garden Grove Response Letter to HCD dated May 4, 2023](#)
- Attachment 4: [HCD Substantial Compliance Letter dated August 14, 2023](#)
- Attachment 5: [Table A Responses to Comments Matrix](#)
- Attachment 6: [Ordinance No. 2925](#)
- Attachment 7: [CEQA Consistency Analysis Memo](#)

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

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September 10, 2021

Lisa Kim, Community and Economic Development Director
Planning Services Division
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Dear Lisa Kim:

RE: Review of the City of Garden Grove's 6th Cycle (2019-2021) Draft Housing Element

Thank you for submitting the City of Garden Grove's (City) 6th cycle draft housing element received for review on July 14, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on September 8, 2021 with you; Chris Chung, Urban Planner; Lee Marino, Planning Services Division Manager; and Maria Parra, Senior Planner. In addition, HCD considered comments from the Kennedy Commission and Roy English pursuant to Government Code section 65585, subdivision (c).

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes these, and other revisions needed to comply with State Housing Element Law.

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of October 15, 2021 for Southern California Association of Governments (SCAG) localities. If adopted after this date, Government Code section 65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit HCD's website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375_final100413.pdf.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the County 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:

http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and
http://opr.ca.gov/docs/Final_6.26.15.pdf.

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.

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. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance. Upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

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 meets housing element requirements for these and other funding sources.

We are 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 Mashal Ayobi, of our staff, at Mashal.Ayobi@hcd.ca.gov or (916) 776-7421.

Sincerely,

A handwritten signature in black ink that reads "Shannan West". The signature is written in a cursive, flowing style.

Shannan West
Land Use & Planning Unit Chief

Enclosure

APPENDIX CITY OF GARDEN GROVE

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. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element. (Gov. Code, § 65588 (a) and (b).)

As part of the evaluation of programs in the past cycle, the element must provide an explanation of the effectiveness of goals, policies, and related actions in meeting the housing needs of special needs populations (e.g., elderly, persons with disabilities, large households, female headed households, farmworkers and persons experiencing homelessness). For example, quantify how many people the shelter served or how many referrals were made to Regional Center of Orange County pursuant to Program 10.

B. Housing Needs, Resources, and Constraints

1. *Affirmatively further[ing] fair housing (AFFH) 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)).*

The element has some basic information racial segregation, racial and ethnically concentrated areas of poverty, and include maps of the TCAC opportunity areas at a local level. However, the element generally does not address this requirement. The element, among other things, must include outreach, an assessment of fair housing, identification, and prioritization of contributing factors to fair housing issues and goals and actions sufficient to overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity. This information must be provided both at the local level compared at the regional level and be informed by regional and local data and knowledge from stakeholders within the City. For more information, please contact HCD and visit <https://www.hcd.ca.gov/community-development/affh/index.shtml>.

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).)

The City has a regional housing needs allocation (RHNA) of 19,168 housing units, of which 6,967 are for lower-income households. To address this need, the element relies on a mix of vacant and significantly underutilized sites. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

Progress in Meeting the RHNA: The element must clarify conflicting data on Tables 12-31 and 12-32. For example, Table 12-32 states 896 units approved to extremely- and very low-income and 38 units to low-income categories, but Table 12-31 shows 41 units to very low-, 359 units to lo-w, 124 units to moderate-, and 436 units to above moderate-income categories.

Sites Inventory: Appendix B (Sites Inventory) states that there is no infrastructure capacity on these sites. HCD understands that this is an error. The sites inventory must clarify whether infrastructure including dry utilities is available for these parcels.

Realistic Capacity: While the element provides assumptions of buildout for sites included in the inventory, it must also provide support for these assumptions. For sites in zones that allow nonresidential uses, the element needs to analyze the likelihood that the identified units will be developed as noted in the inventory. This analysis should consider the likelihood of nonresidential development, performance standards, and development trends supporting residential development.

Suitability of Nonvacant Sites: The element must include an analysis demonstrating the potential for redevelopment of nonvacant sites. To address this requirement, the element describes in general the existing use of each nonvacant site for example "commercial" or "shopping center". This alone is not adequate to demonstrate the potential for redevelopment in the planning period. The description of existing uses should be sufficiently detailed to facilitate an analysis demonstrating the potential for additional development in the planning period. In addition, the element needs to also analyze the extent that existing uses may impede additional residential development. For example, the element includes sites identified as single-family residents, religious institutions, a culinary school, an adult daycare and senior center, but no analysis was provided to demonstrate whether these existing uses would impede development of these sites within the planning period. The element can summarize past experiences converting existing uses to higher density residential development, include current market demand for the existing use, provide analysis of existing leases or contracts that would perpetuate the existing use or prevent additional residential development and include current information on development trends and market conditions in the City and relate those trends to the sites identified. The element could also consider indicators such as age and condition of the existing structure expressed developer interest, low improvement to land value ratio, and other factors. In addition, some of the sites are identified as civic facilities. There must be discussion and analysis on whether the City has plans to redevelop these sites or plans to sell the property if owned by the

City, and how the jurisdiction will comply with the Surplus Land Act (Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5).

In addition, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period (Gov. Code, § 65583.2, subd. (g)(2).). This can be demonstrated by providing substantial evidence that the existing use is likely to be discontinued during the planning period (Gov. Code, § 65583.2, subd. (g)(2).

Accessory Dwelling Units (ADU): The element assumes an average of 436 ADUs per year will be constructed during the planning period, for a total of 3,618 ADUs. The element's analysis and programs do not support this assumption. Specifically, in addition to other methods, HCD accepts the use of trends in ADU construction since January 2018 to estimate new production. Based on past production between 2018 to 2020, the City is averaging about 144 ADUs per year. To support assumptions for ADUs in the planning period, the element could reduce the number of ADUs assumed per year or reconcile trends with HCD records, including additional information such as more recent permitted units and inquiries, resources and incentives, other relevant factors and modify policies and programs as appropriate. The element should support its ADU assumptions based on the number of ADU permits issued, not the number of ADU applications. The element must also commit to monitor ADU production throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. In addition to monitoring production, this program should also monitor affordability. Additional actions, if necessary, should be taken in a timely manner (e.g., within 6 months). Finally, if necessary, the degree of additional actions should be in stride with the degree of the gap in production and affordability. For example, if actual production and affordability of ADUs is far from anticipated trends, then rezoning or something similar would be an appropriate action. If actual production and affordability is near anticipated trends, then measures like outreach and marketing might be more appropriate.

Environmental Constraints: Per third party comments, some of the sites are currently and have been used for decades for metal recycling and auto repairs, so the soil is probably very polluted with lead and other heavy metals. The element must describe and analyze environmental constraints that may impede the development of housing within the planning period on these sites, specifically the provision of housing affordable to lower-income housing.

Sites with Zoning for a Variety of Housing Types:

Emergency Shelters: While the element notes emergency shelters are allowed in the M-1 zone, it must demonstrate the City still has sufficient capacity to accommodate the identified housing need for emergency shelters and evaluate the available acreage for characteristics like parcel size or potential redevelopment or reuse opportunities, proximity to services and describe development standards.

Transitional & Supportive Housing: The element does not adequately address requirements for transitional housing and supportive housing. Pursuant to Senate Bill 2 (Chapter 633, Statutes of 2007), transitional and supportive housing must be permitted as a residential use in all zones and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. The element must demonstrate consistency with these statutory requirements and include a program as appropriate.

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. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Government Code section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).)*

Development Standards: The element must identify and analyze all relevant land-use controls impacts as potential constraints on a variety of housing types (e.g., multifamily rental housing, mobile homes, transitional housing). The analysis must also evaluate the cumulative impacts of land-use controls on the cost and supply of housing, including the ability to achieve maximum densities and the capacity assumed in the housing element sites inventory. In particular, the element should analyze the limitation that only 50 percent of the building area in a multifamily development may be three stories and the one-story requirement within 20 feet of a R-1 zone property and requirements for the provision of outdoor recreational and leisure area. The analysis should describe past or current efforts to remove identified governmental constraints, and the element should include programs to address or remove the identified constraints.

Local Processing and Permit Procedures: The element generally describes the discretionary permitting process for multifamily development (p. 12-41). The element must analyze the process as a potential constraint on housing supply and affordability. The analysis should identify findings of approval and their potential impact on development approval certainty, timing, and cost. In particular, the element must evaluate the following review criteria:

- complying with the spirit and intent of applicable provisions, conditions, and requirements
- compatibility with the physical, functional, and visual quality of the neighboring uses
- desirable neighborhood characteristics and planning and design
- attain an attractive environment for the occupants of the property

The element must demonstrate this process is not a constraint, or it must include a program to address and remove or mitigate constraints to the approval of multifamily development related to these requirements.

Constraints on Housing for Persons with Disabilities: While the element makes reference to reasonable accommodation for persons with disabilities, it does not provide any information on the City's reasonable accommodation procedure. The element should describe the City's reasonable accommodation procedure, including how requests are made and processed, and any approval findings. In addition, the element details that residential care facilities serving six or fewer persons are permitted in all residential zones. However, residential care facilities serving seven or more persons require a Conditional Use Permit (CUP). The element should analyze the process as a potential constraint on housing for persons with disabilities and add or modify programs as appropriate to ensure zoning permits group homes objectively with 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 availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Government Code section 65583.2, and 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. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. (Gov. Code, § 65583, subd. (a)(6).)*

The element must be revised to include analysis of requests to develop housing at densities below those anticipated, and the length of time between receiving approval for a housing development and submittal of an application for building permits that potentially hinder the construction of a locality's share of the regional housing need. Page 12-34 lists the requirement but does not provide analysis.

5. *Analyze any special housing needs such as elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (Gov. Code, § 65583, subd. (a)(7).)*

While the element quantifies the City's special needs populations, it must also analyze their special housing needs. For a complete analysis of each population group, the element should discuss challenges faced by the population, the existing resources to meet those needs (e.g., availability of senior housing units, number of large units, number of deed restricted units, etc.), an assessment of any gaps in resources, and proposed policies, programs, and funding to help address those gaps. Additionally, the

element must include an estimate of the number of persons experiencing homelessness based upon the most recent from Point in Time (PIT) data.

C. 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).)*

To address the program requirements of Government Code section 65583, subdivision (c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

Program 9 (Accessory Dwelling Units): The program must include specific timeframes for the preparation of pre-approved plans, the development of promotional materials, and when the city will consider the establishment of the ADU amnesty program.

Program 10 (Density Bonus): Provide a specific timeline for review and evaluation with specific actions.

Program 11 (Inclusionary Housing Ordinance): Provide a specific timeframe for the consideration and evaluation of the development of inclusionary housing ordinance.

Program 22 (Affordable Housing Overlay): Provide a specific timeframe for the consideration and adoption of an affordable housing overlay.

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 (SRO) units, emergency shelters, and transitional housing. (Gov. Code, § 65583, subd. (c)(1).)*

As noted in Finding B2, 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. The element indicates that sites will require rezoning and general plan amendments which is expected to occur prior to the start of the planning period (October 15, 2021) (page 12-78). Please be aware, if rezonings are not completed by that date, the element must include a program(s) to identify sites with appropriate zoning to accommodate the regional housing need within the planning period. (Gov. Code, § 65583.2, subd. (h) and (i).)

Program 8 (Residential Sites Inventory and Monitoring of No Net Loss): The program should be amended to commit to amending the City's sites inventory if a shortfall is identified pursuant to Government Code section 65863.

Nonvacant Sites Reliance to Accommodate RHNA: As the element relies upon nonvacant sites to accommodate the regional housing need for lower-income households, it should include a program(s) to promote residential development affordable to lower-income housing on these sites. The program could commit to provide financial assistance, regulatory concessions such as a streamlined permit processing, or incentives including the adoption of an affordable housing overlay pursuant to Program 22 to encourage and facilitate new, or more intense, residential development on the sites. In addition, the element could amend Program 12 to monitor development on sites in the mixed-use zone as it relates to the provision of housing affordable to lower-income households and commit provision of additional actions as necessary to facilitate development.

3. *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).)*

While the element includes programs to assist in the development of very low-, low-, and moderate-income households, it must also include a program(s) to assist in the development of housing affordable extremely low-income (ELI) households. Programs must be revised or added to the element to assist in the development of housing for ELI households. For example, Program 13 in the element could describe what the City will do to encourage developers to include ELI units with wraparound services. In addition, the element states that the City is working with the owners of the Tamerlane Dr. property (p.12-63) to preserve at-risk units. Program 7 could be updated to reflect these efforts.

4. *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 Findings B3 and B4, the element requires a complete analysis of potential governmental and nongovernmental 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.

Program 14 (Parking Standards): The element identified the City's parking standards as a potential constraint to development. The element must include specific commitments to mitigate or remove constraints with specific timelines.

5. *Promote AFFH 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).)*

The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis as noted in Finding B1. 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 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. For example, Program 1 (Housing Rehabilitation) can target or prioritize grants in lower or moderate-resourced neighborhoods, or Program 17 (Zoning Code Update) could be amended to include relocation and protections for those long-term tenants in SRO or motels which could be displaced if converted to permanent housing.

D. 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 includes a general summary of the public participation process (p. 12-6 to 12-10, Appendix C), it must also demonstrate diligent efforts were made to involve all economic segments of the community in the development of the housing element. The element should be revised to discuss outreach to lower-income and special needs groups during the public participation efforts, solicitation efforts for survey responses, and participation in community workshops. HCD reviewed third-party comments as part of this review. These should be considered as part of the revised element. In addition, the element should also summarize the public comments and describe how they were considered and incorporated into the element. For additional information, see the Building Blocks at <http://www.hcd.ca.gov/community-development/building-blocks/getting-started/public-participation.shtml>.

In addition, HCD understands the City made the element available to the public only two weeks prior to its submittal to HCD. By not providing an opportunity for the public to review and comment on a draft of the element in advance of submission, the City has not yet complied with statutory mandates to make a diligent effort to encourage the public participation in the development of the element and it reduces HCD's ability to consider public comments in the course of its review. The availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The City must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including making revisions to the document where appropriate. HCD's future review will consider the extent to which the revised element documents how the City solicited, considered, and addressed public comments in the element. The City's consideration of public comments must not be limited by HCD's findings in this review letter.

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

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Scott Stiles, City Manager
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Dear Scott Stiles:

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

Thank you for submitting the City of Garden Grove's (City) housing element adopted on November 9, 2021 and received for review on November 12, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from the Kennedy Commission pursuant to Government Code section 65585, subdivision (c).

The adopted housing element addresses many statutory requirements described in HCD's September 10, 2021 review; however, revisions will be necessary to fully comply with State Housing Element Law (Article 10.6 of the Gov. Code). The enclosed Appendix describes the revisions needed to comply with State Housing Element Law.

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, 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 meets housing element requirements for these and other funding sources.

We are 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 Mashal Ayobi, of our staff, at Mashal.Ayobi@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy
Senior Accountability Manager

Enclosure

APPENDIX CITY OF GARDEN GROVE

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))*

Fair Housing Enforcement and Outreach: While the element was revised to incorporate information on fair housing complaints, it did not address the ability to provide enforcement and outreach capacity which can consist of actions such as ability to investigate complaints, obtain remedies, or the ability to engage in fair housing testing. The analysis must also describe compliance with existing fair housing laws and regulations and include information on fair housing outreach capacity. Furthermore, the element should address outreach related to affirmatively further fair housing (AFFH).

Regional Analysis: While the element generally describes local patterns and trends, it must also analyze Garden Grove relative to the rest of the region regarding Racially and Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) and Affluence, disparities in access to opportunity, and disproportionate housing needs and displacement risks.

Local Data and Knowledge, and Other Relevant Factors: The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers. Also, the element must include other relevant factors that contribute to fair housing issues in the jurisdiction. This can include, but is not limited to, changes and barriers in zoning and land use rules, information about redlining/greenlining, restrictive covenants and other discriminatory practices, presence and history of place-based investment, and mobility option patterns.

Access to Opportunity: The element provides information on the access to opportunity through the TCAC opportunity maps but must also provide a complete local and regional

analysis of patterns and trends for all components. A comprehensive analysis should include the local and regional disparities of the educational, environmental, and economic scores through local, federal, and/or state data. It should also analyze persons with disabilities as well as access to transit. Please refer to page 35 of the AFFH guidebook (link: <https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance>) for specific factors that should be considered when analyzing access to opportunities as it pertains to educational, employment, environmental, transportation, and any factors that are unique to Garden Grove.

Disproportionate Housing Needs: The element is revised to include some information about cost burden, substandard housing, and overcrowding in the locality but the analysis is incomplete. A full analysis should identify local patterns and trends throughout the community. In addition, the element must include regional information and analysis for these categories. The element must also address homelessness and displacement risk. Currently, the draft includes maps of sensitive communities and describes various types of displacement risk, but does not describe or contextualize them, or analyze any findings specific to Garden Grove.

Contributing Factors: The element provides a general list of contributing factors (p. 83); however, the contributing factors identified are generally not responsive to the analysis presented in the AFFH analysis. The City's composition and location in the region presents unique fair housing challenges largely not captured by the contributing factors. As a result, the City should revise the AFFH section as noted above, re-evaluate contributing factors, and prioritize the contributing factors. As a reminder, the contributing factors should be foundational pieces for the AFFH programs.

Site Inventory and AFFH: The element was revised to provide some general analysis and generally states that the sites improve fair housing and equal opportunities conditions in Garden Grove (pp. 12-83). However, this is not sufficient to demonstrate whether sites identified to meet the regional housing needs allocation (RHNA) are distributed throughout the community in a manner that AFFH. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that effects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). In addition, as noted in the element sites are located in the moderate resourced areas followed by low resourced areas. The element should address this and discuss whether the distribution of sites improves or exacerbates conditions. If sites exacerbate conditions, the element should identify further program actions that will be taken to overcome patterns of segregation and promote inclusive communities, including actions beyond the RHNA. Depending on the results of a complete analysis, the element should add programs as appropriate.

Goals, Priorities, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Currently the element relies solely on programs which are not transformative, meaningful, or specific. Many of these actions simply involve coming into compliance with state law. Goals and actions must specifically respond to the analysis and 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. For example, as identified in third party comments, the AFFH analysis shows patterns of racial and economic segregation but does not include programs to adequately address these patterns nor address potential displacement risk.

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).)*

Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov. HCD has not received a copy of the electronic inventory. Please note, the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Realistic Capacity: The element now lists recent developments to support capacity assumptions and trends related to residential development in mixed-use zone; however, the analysis of realistic capacity should account for the likelihood of 100 percent nonresidential uses. Please see prior review.

Suitability of Nonvacant Sites: Specific analysis and actions are necessary if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. 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).) While the element contains some information relating to underutilization, age of structure, and building-to-land value ratio, it does not provide analysis demonstrating the uses are likely to discontinue in the planning period. For example, only a few sites include information related to existing leases and owner interest, but no information was provided related to whether the uses on other sites would impede residential development. For example, the element could describe if uses are operating or marginalized, information on interest in redevelopment and relate redevelopment and market trends to the identified sites. In particular, the element. In addition, the adopted resolution did not include necessary findings based on substantial evidence that the uses will likely discontinue in the planning period. Please see HCD's prior review for additional information.

Senate Bill 9 (Statutes of 2021) Projections: The element is now projecting 1,459 units that will be developed based on the passage of SB 9 (Statutes of 2021) to accommodate a

portion of its above moderate income RHNA. To utilize projections based on SB 9 legislation, the element must; 1) include a site-specific inventory of sites where SB 9 projections are being applied; 2) include a nonvacant sites analysis demonstrating the potential for redevelopment and that the existing use will not constitute as an impediment for additional residential use and; 3) include programs and policies that establish zoning and development standards early in the planning period and implement incentives to encourage and facilitate development. The element should also support this analysis with local information such as local developer or owner interest to utilize zoning and incentives established through SB 9.

Accessory Dwelling Units (ADU): The ADU numbers have been reassessed in this element and the City acknowledges that the ADU counts in their annual progress reports (APRs) are undercounted and includes Program 9 to update the City's APR data. However, it is still unclear from both the element and the documentation provided with the review how many units have been permitted since 2018. The element states that an average of 242 units have been permitted per year and therefore 2,009 units are likely to be built in the planning period. However, this calculation seems to be inaccurate as five years of data was provided resulting in an average of 193 per year which equate to an eight-year projection of 1,544 units. Accompanying documentation shows an average of 237 which would equate to an eight-year projection of 1,896. The element must reconcile the factors used to project the number of ADU's expected to be built in the planning period and adjust the projection accordingly.

Zoning for a Variety of Housing Types:

Transitional and Supportive Housing: While the element was revised to include additional information related to how transitional housing is allowed, it does not provide information related to supportive housing. In addition, the information provided on pages 12-59 seems to distinguish between number of occupants living together. This is inconsistent with state law which states "Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone." (Gov. Code, § 65583, subd. (c)(3), emphasis added.) This means if transitional or supportive housing is located in a single-family home, for instance, the city cannot require a use permit for the transitional or supportive housing unless it also generally requires a use permit for all other single-family homes in the same zone. This rule applies regardless of the number of occupants. The City cannot, for instance, require a use permit for transitional and supportive housing with six or more occupants unless it requires such a use permit for single-family homes in the same zone generally. The element must include a program to update the zoning ordinance consistent with these standards.

- 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.*

Processing and Permitting Procedures: While the element indicates that no multi-family projects have been denied based on the approval finding and that the City must follow state law, it does not analyze the permit or the process as a potential constraint. A full analysis should assess the process impact on approval certainty, supply, affordability, timing, and other relevant factors and in particular analyze the subjective design standards noted in HCD's prior review.

Housing for Persons with Disabilities: While the element was revised to identify a reasonable accommodation procedure through the housing authority, it did not include the findings for approval of reasonable accommodation requests. In addition, the element did not address HCD's previous finding to analyze the conditional use process requirement for group homes of seven or more. Zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations such as the number of persons, population types and licenses. The element should specifically analyze these constraints for impacts on housing supply and choices and approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.

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 A1, 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, the element should be revised as follows:

Sites Inventory: As stated in our prior review, if rezoning is not completed by October 15, 2021, the element must include a program(s) to identify sites with appropriate zoning to accommodate the regional housing need within the planning period. (Gov. Code, § 65583.2, subd. (h) and (i).) The element should clarify when and if rezoning has occurred and amend zoning to be consistent with Government Code section 65583.2(h) and (i) as needed.

Nonvacant Sites Reliance to Accommodate RHNA: HCD's prior review found that the element relies upon nonvacant sites to accommodate the regional housing need for

lower-income households, so it should include a program(s) to promote residential development affordable to lower-income housing on these sites. The program could commit to provide financial assistance, regulatory concessions such as a streamlined permit processing, or incentives including the adoption of an affordable housing overlay pursuant to Program 22 to encourage and facilitate new, or more intense, residential development on the sites. In addition, the element could amend Program 12 to monitor development on sites in the mixed-use zone as it relates to the provision of housing affordable to lower-income households and commit provision of additional actions as necessary to facilitate development.

Program 4 (Affordable Housing Construction): HCD's prior review found the element must describe and analyze environmental constraints that may impede the development of housing within the planning period on these sites, specifically the provision of housing affordable to lower-income housing. The City added more information on environmental constraints related to industrial contamination in starting on pages 12-122 and program 4 has been revised to include City assistance, both technical and funding, where available, to sites that have been determined to be contaminated based on environmental site assessments. However, the City does not specify when these assessments will be complete. The element should add a program to ensure environmental constraints are addressed and include a timeline for conducting such assessments within a year of housing element adoption.

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).)*

While the element includes programs to assist in the development of very low-, low-, and moderate-income households, it must also include a program(s) to assist in the development of housing affordable extremely low-income (ELI) households. Programs must be revised or added to the element to assist in the development of housing for ELI households. For example, Program 13 in the element could describe what the City will do to encourage developers to include ELI units with wraparound services. In addition, the element states that the City is working with the owners of the Tamerlane Drive property (pp.12-63) to preserve at-risk units. Program 7 could be updated to reflect these efforts.

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 A2, 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 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 requires a complete analysis of AFFH. Depending upon the results of that analysis, the City may need to revise or add programs to AFFH.

Steve Jones
Mayor
George S. Brietigam
Mayor Pro Tem - District 1
John R. O'Neill
Council Member - District 2
Cindy Ngoc Tran
Council Member - District 3
Joe DoVinh
Council Member - District 4
Stephanie Klopfenstein
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May 4, 2023

State Department of Housing and Community Development
C/O Land Use and Planning Unit

Attn: Paul McDougall, Senior Program Manager | Paul.McDougall@hcd.ca.gov

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C: Melinda Coy, Senior Accountability Manager | Melinda.Coy@hcd.ca.gov

C: Mashal Ayobi, Housing Policy Analyst | Mashal.Ayobi@hcd.ca.gov

**RE: Follow-up Response to Informal HCD Comments on City of Garden Grove
DRAFT REVISED ADOPTED 2021-2029 Housing Element Submitted to HCD in
November 2022**

Dear Mr. McDougall,

On November 18, 2022, the City of Garden Grove formally submitted its Draft Revised Adopted 2021-2029 Housing Element to the State of California Department of Housing and Community Development (HCD) for its review and to receive a report of findings. During HCD Staff's review of the submitted Draft Revised Adopted 2021-2029 Housing Element, informal comments were provided to City Staff, which were, in part, related to Program 4 (Affordable Housing Construction). The City of Garden Grove is pleased to submit a response to the informal comments received from HCD Staff regarding a specific objective listed under Program 4. The following contents of this letter will also provide a background of events related to the City's 2021-2029 Housing Element, highlighting feedback received from HCD, both formally and informally, regarding its reviews of the element, as well as information on the actions taken by the City to respond to and address said feedback. The City appreciates your and your Staff's consideration of the information provided herein.

For your reference, the following documents are attached hereto:

- Adopted 2021-2029 Housing Element (November 2021) and HCD Comment Response Matrix
- Draft Revised Adopted 2021-2029 Housing Element (November 2022) and HCD Comment Response Matrix

BACKGROUND

Submission of Draft 2021-2029 Housing Element to HCD

On July 14, 2021, the City of Garden Grove submitted its initial (1st) Draft Housing Element to HCD for review. The City received comments from HCD Staff discussed in a telephone conversation held on September 8, 2021, and also received a report of findings via a comment letter received from HCD dated September 10, 2021.

City Council Adoption of the Revised Draft 2021-2029 Housing Element

The City of Garden Grove City Council conducted a public hearing and deliberated upon the Revised Draft Housing Element at its November 9, 2021 meeting, where a public comment period was made available. After Council deliberation, the Council unanimously voted to adopt the Revised Draft 2021-2029 Housing Element (the “Adopted Housing Element”), which had been revised in response to previous comments received from HCD (per HCD’s comments via the telephone conversation on September 8, 2021 and the comment letter dated September 10, 2021). In addition to adopting the Housing Element, the City Council also concurrently adopted amendments to the Safety Element to reflect climate adaptation; adopted a new Environmental Justice Element; adopted revisions to the Land Use Element; adopted zoning text and map changes to address the changes to the Housing Element and Land Use Element; and certified the Environmental Impact Report.

Formal Submission of Adopted Housing Element to HCD

Subsequent to the City Council’s adoption of the 2021-2029 Housing Element (the “Adopted Housing Element”), the City formally submitted the Adopted Housing Element to HCD for its review on November 12, 2021. The Adopted Housing Element was provided to HCD in a redline version so that revisions were easily identifiable and comparable to the previous draft version of the Housing Element that was submitted to HCD on July 14, 2021. The redline version of the Adopted Housing Element addressed HCD comments identified in the telephone meeting between HCD Staff and City Staff on September 8, 2021, and the comment letter received from HCD dated September 10, 2021. To also assist in tracking changes made to the Adopted Housing Element, an HCD Comment Response Matrix was included along with the Adopted Housing Element. This Matrix catalogued all of HCD’s latest comments, received up to that point, and provided a direct response on how the Adopted Housing Element was updated to address each comment.

Formal Submission of Draft Revised Adopted 2021-2029 Housing Element to HCD

Following HCD’s formal review of the Adopted Housing Element submitted on November 12, 2021, the City received a formal response/comment letter from HCD dated February 10, 2022. On November 18, 2022, the City of Garden Grove formally submitted its Draft Revised Adopted 2021-2029 Housing Element to HCD for its review and to receive a report of findings. The Draft Revised Adopted 2021-2029 Housing Element was provided in a redline version so that revisions were easily identifiable and comparable to the previous Adopted

Housing Element. The redline version addressed HCD comments identified in its February 10, 2022 response letter, as well as informal comments received from HCD on September 29, 2022 during a virtual meeting (Zoom) with HCD Staff and via an email from HCD Staff on September 29, 2022. To also assist in tracking changes made to the Adopted Housing Element, an HCD Comment Response Matrix was included along with the Draft Revised Adopted 2021-2029 Housing Element. The Matrix catalogued all of HCD's latest comments received up to that point, and provided a provided a direct response on how the Adopted Housing Element was updated to address each comment. In compliance with AB 215 requirements for the 7-day posting period, on November 10, 2022, the City posted the Draft Revised Adopted 2021-2029 Housing Element on its website (<https://ggcity.org/housing-element>) and emailed a link of said document to all individuals and organizations that previously requested notices related to Garden Grove's Housing Element.

HCD Informal Comments on the Draft Revised Adopted 2021-2029 Housing Element

On January 10, 2023, HCD Staff provided informal comments, by phone and email, to City Staff related to its review of the Draft Revised Adopted 2021-2029 Housing Element that was submitted on November 18, 2022. Said informal comments related to minor revisions requested to address language in portions of specific objectives under Program 4 (Affordable Housing Construction) and Program 18 (Affirmatively Furthering Fair Housing). With exception to the minor revisions requested to Program 4 (Affordable Housing Construction) and Program 18 (Affirmatively Furthering Fair Housing), HCD Staff conveyed orally over the phone to the City that all other comments received from prior HCD correspondence had been addressed in full.

Comments Related to Program 18 (Affirmatively Furthering Fair Housing)

Relating to Program 18 (Affirmatively Furthering Fair Housing), informal comments from HCD Staff specifically requested that certain meaningful actions be strengthened along with the inclusion of quantifiable metrics.

City Staff prepared revisions and additions to Program 18 (Affirmatively Furthering Fair Housing), which included **revised** and **new** meaningful actions with the inclusion of specific metrics, as requested by HCD. Said meaningful actions included the following (New text in [blue-underline](#). Deleted text in ~~strikethrough~~):

Revised Meaningful Actions Added to Program 18: Affirmatively Furthering Fair Housing

Direct homebuyers and property owners with property deeds, covenants, and other real estate property documents that contain restrictions intended to limit where certain people could live or buy property, based on race, religion, or other characteristics, to the Orange County Clerk-Recorder's Office to have such discriminatory language removed at no charge.

2021-2029 Metrics: Publish available [Orange County Clerk-Recorder's Office services at least twice a year, and as inquiries are received, the City will respond](#)

within seven business days to direct homebuyers and property owners to the Orange County Clerk-Recorder's Office. To the extent requests or inquiries are received, City to direct a minimum of 10 property documents per year to the County, as requested.

Annually monitor building and home sales activities in historically under-market neighborhoods to identify any adverse trends. If trends indicate substantial displacement, investigate effective means to address the issue. Consult with the Fair Housing Council of Orange County and Fair Housing Foundation to provide multi-lingual tenant legal counseling within these impacted areas.

2021-2029 Metrics: Reduce displacement

New Program 18 Meaningful Action #1:

In concert with Program 2 (Code Enforcement), develop a proactive and cooperative code compliance program that targets areas of concentrated rehabilitation needs resulting in repairs and improvements, and mitigates potential cost, displacement, and relocation impacts on residents.

Timeframe: Ongoing

Geographic Targeting: Citywide

2021-2029 Metrics: Resolve a minimum of 75 complaints in the concentrated rehabilitation needs areas.

New Program 18 Meaningful Action #2:

Implement Program 4 (Affordable Housing Construction), Program 9 (Accessory Dwelling Units), Program 13 (Special Needs Housing), and Program 24 (SB 9 Unit Housing Development) to increase housing choices and affordability (e.g., duplex, triplex, multifamily, accessory dwelling units, SB 9 housing developments, transitional and supportive housing, and group homes), with a particular focus in High Opportunity Areas. Establish a protocol to annually monitor development progress towards housing creation that increases housing choices and affordability in High Opportunity Areas. Should monitoring reveal a shortfall in development progress towards housing creation of increased housing choices and affordability, the City will commit to developing additional actions, as necessary, including, but not limited to incentives, waivers, concessions, expedited processing, and other regulatory approaches (including examination of development standards) to ensure the City satisfies its identified housing need (RHNA).

Timeframe: Ongoing

Geographic Targeting: High Opportunity Areas

2021-2029 Metrics: A minimum of 50 low income or special needs housing units to be built in High Opportunity Areas.

Following its review of the proposed revisions and additions to Program 18 (Affirmatively Furthering Fair Housing), HCD Staff conveyed orally over the phone to the City that its comments related to Program 18 had been addressed in full.

Comments Related to Program 4 (Affordable Housing Construction)

The goal of Program 4 of the Housing Element is to leverage City funds and available tools to increase the supply of affordable housing in Garden Grove. Program 4 highlights affordable senior housing as a particular focus, given the growing need and recent demands seen in the community for this type of housing. Program 4 lists several objectives that are intended to facilitate the increase in supply of affordable housing through various means and methods, which include the following:

- Affordable Housing Assistance. Provide technical and financial (as available) assistance for the construction of 10 affordable units annually (80 units total) using a combination of federal, State, and local funds to provide land cost write-downs and other construction assistance. Offer expedited processing for projects that include affordable housing units.
- Senior Housing. Encourage the implementation of Community Residential General Plan Land Use Designation, which is intended exclusively for the new construction of senior housing, convalescent homes, congregate housing, and institutional quarters, and allows higher densities and development standards reflective of the senior population.
- Density Bonus. Encourage the utilization of allowances under Density Bonus law, which supports one of the main sources of newly constructed affordable housing units in the city.
- Marketing. Continue to inform non-profit and for-profit developers of assistance available for the construction of affordable housing, including density bonuses.
- Energy Conservation. Encourage residential developments that lower housing costs through reduced energy consumption. Maximizing energy efficiency and the incorporation of energy conservation and green building features can reduce housing costs for homeowners and renters.
- Industrial Property Contamination. If industrial properties have been determined to be contaminated by previous activities as identified in technical studies prepared by the applicant during the entitlement process, the City will assist affordable housing developers, subject to available resources, via technical assistance to direct the applicant to available resources facilitating the site for residential development. Technical assistance can include referral to responsible agencies for site assessment requirements, participating in consultation with responsible agencies, and directing applicants to information of available grants (e.g.,

Department of Toxic Substances Control Brownfields Revolving Loan Fund program) and other potential financial resources to fund cleanup.

Relating to Program 4 (Affordable Housing Construction), informal comments from HCD Staff pertained to the last objective under Program 4, titled "Industrial Property Contamination". Initially, HCD Staff generally expressed the following informal comments regarding this objective:

- That an industrial property identified in the sites inventory may not be viable for the construction of new/future housing due to potential contamination;
- That for all industrial sites that are identified in the sites inventory, the City should complete technical studies (e.g., Phase I and/or Phase II Environmental Site Assessments) to determine if a site is contaminated. That if contamination was discovered, it could introduce a constraint, potentially making it a nonviable site for the construction of new/future housing;
- That the City, and not the applicant, should bear the cost of completing the technical studies (e.g., Phase I and/or Phase II Environmental Site Assessments); and
- That said technical studies shall be completed within one (1) year of adoption of the final certified Housing Element.

A Phase I Environmental Site Assessment ("ESA") involves a review of past operating records, an inspection of the property and adjoining properties, and interviews with owners, occupants, neighbors and local government officials. The scope of a Phase I ESA is not complete enough to determine if actual contamination is present. In order to obtain definitive proof of contamination, a Phase II ESA must be conducted.

If a Phase I ESA identifies potential contamination of the site by hazardous materials, a Phase II ESA may be conducted. The Phase II ESA includes sampling and laboratory analysis to confirm the presence of hazardous materials. Tests that may be performed include:

- Surficial soil and water samples
- Subsurface soil borings
- Groundwater monitoring well installation, sampling, and analysis
- Drum sampling
- Sampling of dry wells, floor drains, and catch basins
- Transformer/capacitor sampling for Polychlorinated Biphenyls (PCBs)
- Geophysical testing for buried tanks and drums
- Testing of underground storage tanks

Depending on the results of the samples, the Phase II ESA typically outlines additional site investigation needs, and potential remedial actions that may be required to clean up the

property to acceptable levels (e.g., residential or commercial/industrial screening levels) based on the type of current or future use.

As an initial matter, the City notes that the purpose of including this objective in Program 4 is to assist affordable housing developers to identify available resources to navigate the regulatory environment and help facilitate residential development in the event contamination is found. The inclusion of this objective was not intended to suggest or imply that sites zoned for industrial uses in the City are necessarily contaminated, or even likely to contain contamination, to a degree that would serve as a barrier to redevelopment of such sites with housing. Further, the proposed commitments initially suggested by HCD staff are neither feasible nor necessary for the reasons discussed below.

In order for the City to conduct either Phase I or Phase II ESAs on potential housing sites, it would require the City to access private property in order to conduct visual interior and exterior inspections, collect physical samples from the property (i.e., soil and water), prepare subsurface soil borings, install monitoring equipment, and/or conduct other necessary analyses or testing. Without a property owner's consent and cooperation, the City does not have legal authority to enter private properties and conduct the necessary activities required as part of Phase I and Phase II ESAs. As a general proposition, many private property owners would have legitimate objections to voluntarily permitting a city government to conduct exploratory inspections and testing of their property, absent extenuating circumstances. Therefore, it would be practically and legally infeasible for the City to unilaterally conduct such technical studies for all industrial sites included in the Sites Inventory. Imposing such an obligation on the City would effectively preclude the City from identifying any industrial sites in its Housing Element for redevelopment into housing.

Requiring the City to conduct Phase I and/or Phase II ESAs on Sites Inventory sites prior to their proposed redevelopment is also unnecessary because such assessments are likely to be conducted independently in conjunction with any potential redevelopment of the properties. Typically, when a property owner, or prospective property owner (i.e., a developer looking to acquire the property), engages with a lender to finance or refinance a property, the lender **requires** the applicant to complete a Phase I and/or Phase II ESA. The undertaking of this process is a private matter between the applicant and lender. Even in cases where a lender is not involved, the prospective property owner/developer would still typically require a Phase I and/or Phase II ESA be completed as part of its environmental due diligence. This is likely to occur regardless of whether the City has conducted its own ESA previously.

In subsequent discussions between HCD Staff and City Staff, the City expressed significant concern that HCD's initial suggestion that the City bear the cost of and conduct said technical studies (e.g., Phase I and/or Phase II Environmental Site Assessments) would be infeasible and was unnecessary. However, to address HCD's comments regarding the language under the Program 4 (Affordable Housing Construction) objective, "Industrial Property Contamination", additional actionable language was added to commit the City to actively monitoring industrial properties designated for affordable housing on the City's sites inventory as follows (New text in [blue-underline](#). Deleted text in ~~strikethrough~~):

Industrial Property Contamination. The City will actively monitor industrial properties designated for affordable housing on the City's sites inventory by conducting an environmental desktop review to search available relevant state and federal records and databases to determine if there is reported contamination that might affect the subject site. If industrial properties designated for affordable housing on the City's sites inventory are determined to be contaminated, based on reasonably available information, the City will evaluate whether the contamination renders the site nonviable for affordable housing. In the event the City determines a site is no longer viable, in accordance with Program 8 (Residential Sites Inventory and Monitoring of No Net Loss), the City will identify one or more additional sites within 180 days if necessary in order to accommodate the City's RHNA by income level, in accordance with No Net Loss law.

In addition, # if industrial properties have been determined to be contaminated by previous activities as identified in technical studies prepared by the applicant during the entitlement process, the City will assist affordable housing developers, subject to available resources, via technical assistance to direct the applicant to available resources facilitating the site for residential development. Technical assistance can include referral to responsible agencies for site assessment requirements, participating in consultation with responsible agencies, and directing applicants to information of available grants (e.g., Department of Toxic Substances Control Brownfields Revolving Loan Fund program) and other potential financial resources to fund cleanup.

In a follow-up discussion, HCD inquired about the level the City was relying on industrial sites to accommodate its lower-income RHNA. As shown in Table A below, industrial lower-income sites only make up fifteen-percent (15%) of all lower-income units. And when compared to all income categories combined, such units only make up five-and-a-half percent (5.5%). The data demonstrates that the City's lower-income RHNA does not rely heavily on industrial sites.

	Lower Income	All Income Categories
All Sites	5,616 units	15,732 units
Industrial Sites	869 units	869 units
	15%	5.5%

Table A

As noted above, on January 10, 2023, HCD Staff provided informal comments, by phone and email, to City Staff related to its review of the Draft Revised Adopted 2021-2029 Housing Element that was submitted on November 18, 2022. For subsequent reviews of revised draft/adopted housing elements, HCD has sixty (60) days to complete its review and report its findings back to the jurisdiction. According to this timeline, a formal response letter from HCD was due to the City on or before January 17, 2023. Due to time constraints, and following productive discussions related to ongoing resolution of the informal comments provided, HCD Staff provided various options for the City to consider, which included an

advisable option for the City to rescind its formal submission of the November 18, 2022, Draft Revised Adopted 2021-2029 Housing Element.

On January 17, 2023, the City submitted a formal request to HCD to rescind its November 18, 2022 submission of the Draft Revised Adopted 2021-2029 Housing Element, with an understanding that HCD and the City would have continued discussions in working together to address HCD's remaining comment regarding the Program 4 (Affordable Housing Construction) objective, "Industrial Property Contamination", and that upon future submittal of another formal submission of a Draft Revised 2021-2029 Housing Element, that HCD Staff would be able to accommodate an expedited review given that the remaining review required would be limited to the focused comments related to Program 4 (Affordable Housing Construction).

On January 23, 2023, HCD Staff provided an update to City Staff regarding its remaining comment related to the Program 4 (Affordable Housing Construction) objective, "Industrial Property Contamination". HCD Staff acknowledged that most of the lower-income industrial sites identified in the sites inventory were "light industrial" in zoning/use, which based on the City's Municipal Code definition means it is "intended to provide for small- and medium-size industrial uses that are generally compatible with one another and are not generally adverse to adjacent residential and commercial uses, provided proper screening measures are utilized". According to HCD Staff, this reduced its concern for the viability of industrial sites identified in the City's sites inventory. Additionally, HCD requested the City provide supplemental information regarding its experience and history with sites/projects that previously experienced contamination and what the implications were in regards to the level of contamination, costs associated with discovering and/or remediating the contamination, and the timing involved in the process. The intent of HCD's inquiry was for its staff to get a better understanding of the potential impacts that contamination may have on the viability of a site for future housing construction, and if the City of Garden Grove, in its experience, has seen contamination pose as a significant site constraint that has prevented development/redevelopment of a property.

To address HCD's inquiry, City Community Development Staff consulted with other City departments, local housing developers, and local developers of industrially zoned property in the City. The following discussions will provide a rundown of comments and information received from these groups.

Housing Developer

City Staff consulted with a housing developer, who has developed many residential projects all across Southern California, to inquire on their experience and knowledge in working with "Brownfield sites" – sites that were found to be contaminated. A "Brownfield site" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The following discussion will highlight two (2) examples where the housing developer had worked with a Brownfield site as part of a new residential housing development project. The

takeaway from these examples is that even where significant contamination requiring remediation is found on a site, it does not necessarily preclude residential development.

Example 1. In 2020, within the City of Stanton, which is in close proximity to Garden Grove, a new 10-acre shopping center, Rodeo 39, was constructed, which also included a 14-acre residential component. During the environmental due diligence phase for the project, it was discovered that the northerly half of the property was contaminated from a prior dry cleaning commercial operation. On the northerly half of the property, which was impacted by the contamination, a new multi-unit residential townhome development was constructed. Soil vapor extraction units currently exist on the property today and are actively remediating on-site contamination. The residential units were designed to include vapor barriers, called “liquid boots”, which creates an impermeable membrane to prevent vapor intrusions into the residential units. “Liquid boot” is a cold, spray-applied, water-based membrane, which provides a seamless, impermeable barrier against vapor intrusion, where it is spray-applied to penetrations, footings, grade beams, and pile caps, providing a fully-adhered gas vapor barrier system. This project represents a case where the property was deemed safe for residential occupancy, while there is active remediation and annual monitoring of the on-site contamination. Upon acquisition of the site, the housing developer was required to conduct an environmental site assessment by its lender. As part of their due diligence, the housing developer determined the estimated costs and anticipated timing required to remediate the site. The remediation cost was then built into the housing developer’s acquisition cost and negotiated with the property owner. Typically, the cost to acquire the property (land value) is drawn down (discounted) by the remediation cost. In other words, remediation of prior contamination does not necessarily add significantly to redevelopment cost; rather, remediation costs reduce the land value and are effectively borne by the seller of the property.

Example 2. In the City of Pomona, a prior commercial dry-cleaning facility had operated on a portion of the property since 1988. The subject property was to be redeveloped as a multi-unit housing project. During the environmental due diligence phase for the project, it was discovered that a portion of the property had been contaminated by a prior commercial dry-cleaning facility. The contamination was in a very localized area of the property. The housing developer designed the housing project to place the common recreation space, which was open to the sky, directly on top of the contaminated area. The housing developer expressed that there are ways to narrowly define the contamination area and, as an example, require that contaminated portion of the site be part of the project’s open space. This housing project included the installation of active soil vapor extraction units throughout the property. The housing developer’s total cost of remediation was \$500,000 and the process took 12 months to clear with the Los Angeles County Fire Department. Similar to Example 1 above, prior to property acquisition, and during the environmental due diligence phase, the housing developer determined the estimated costs and anticipated timing required to remediate the site. This remediation cost ultimately discounted the land cost that was agreed upon between the housing developer and the former property owner.

Industrial Developer

City Staff consulted with an industrial developer, who has developed many industrial projects across California, as well as in Garden Grove, to inquire on their experience and knowledge in working with “Brownfield sites” - sites that were found to be contaminated. The industrial developer provided many examples of industrial projects that involved various levels and types of contamination across the cities of Rancho Dominguez, La Palma, Torrance, Camarillo, and Garden Grove.

One of the industrial developer’s recent projects in Garden Grove included minor contamination, which required the installation of an active soil vapor extraction unit on-site. The project included a vapor barrier for the building and the concentrations of contamination detected were low and considered to be safe for the occupancy of the building. The industrial building recently completed its construction and a Certificate of Occupancy was issued.

The industrial developer provided the following comments:

- That property acquisition by the industrial developer is typically the trigger that requires environmental site assessment to determine if contamination exists on the property;
- That the industrial developer conducts a thorough investigation in its environmental due diligence to determine an estimation on the anticipated cost and timing required for remediation;
- That the cost for remediation is built into the industrial developer’s cost to acquire the land;
- That, if a property is contaminated, and if applicable, the industrial developer will design the plans for the project to include a vapor barrier, which would allow the building to be safe to occupy and operate;
- That many projects involve minimal soil contamination, which may only require replacement of the impacted soil near the surface, which is not costly and can be completed in a short amount of time;
- That many projects involve buildings that are cleared for occupancy and continue operating while active remediation is occurring and being monitored on-site; and
- That in their experience, contamination has never limited or prevented development of a property, but rather, only introduces additional cost to the project, which is built into the land acquisition cost.

Key Takeaways from the City’s Research:

- Historically, contamination has not been a chronic nor significant issue for properties, including industrial properties, in the City of Garden Grove.
- There has been no evidence found, to date, that the discovery and presence of contamination has been a significant site constraint to the point that it has precluded development/redevelopment of a property, nor required the cessation of any business in areas of Garden Grove or in similar nearby urban cities.

- Typically, when a property owner, or prospective property owner (i.e., a developer looking to acquire a property), engages with a lender to finance or refinance a property, the lender requires the applicant to complete a Phase I and/or Phase II ESA. The undertaking of this process is a private matter between the applicant and lender, and does not involve the City as a primary participant.
- Upon acquisition of a site, a developer is required to conduct an environmental site assessment by its lender. As part of their environmental due diligence, the developer determines the estimated costs and anticipated timing required to remediate a site. The remediation cost is then built into the developer's acquisition cost and negotiated with the property owner. Typically, the cost to acquire the property (land value) is drawn down (discounted) by the remediation cost.

Garden Grove Public Works Yard

City Staff consulted with the staff of the City of Garden Grove Public Works Department to inquire on their experience and knowledge in working with sites that were previously found to be contaminated. One of the examples given was the City's own Municipal Yard (the "Public Works Yard"), specifically the vehicle service bay ("City Yard vehicle bay"). The City Yard vehicle bay is used for repair and maintenance of City vehicles.

On an off-site property, in close proximity to the Public Works Yard, an industrial laundry facility had operated from 1969 through the mid-1980s. Historical industrial laundry activities reportedly used the cleaning solvent tetrachloroethane (PCE). Several years following the cessation of dry-cleaning activities, equipment was removed and soil and groundwater samples were collected in 2006. Based on the results of historical sampling, remediation was conducted in 2008 and 2009, which involved soil vapor extraction, air sparging, and chemical oxidation.

In 2013, the Regional Water Quality Control Board (RWQCB) issued a clean-up and abatement order to the owners of the former industrial laundry facility operator, and a sequential phased environmental assessment of the groundwater and soil vapor at the former industrial laundry site and surrounding off-site properties was conducted. The scope of the assessment involved multiple groundwater monitoring wells and soil vapor sampling, which included samples being drawn from the Public Works Yard. Historical releases of PCE from the former industrial laundry facility migrated into the soil and groundwater beneath the building. Over time, PCE was found to have impacted the groundwater, flowing towards and under the Public Works Yard forming a plume. Soil vapor probes were installed inside and outside of the City Yard vehicle bay in the Public Works Yard.

In 2018 and 2019, multiple air sampling events were conducted to test the levels of contamination, and it was concluded that the concentrations of PCE and TCE (Trichloroethylene) detected in indoor air at the City Yard vehicle bay did not pose unacceptable risks to the workers when compared to typical commercial/industrial risk thresholds and CAL/OSHA standards. Based on these conclusions, it was determined that no further evaluation of the indoor air conditions at the Public Works Yard were warranted.

The main takeaways of this example are:

- That the Public Works Yard had been in operation during the entirety of the remediation and monitoring process;
- That at no time was the Public Works Yard deemed unsafe for staff/employees to occupy, nor was the Yard ever required to cease operations for any period of time;
- That staff of the Public Works Yard found through its research of records that a contamination case such as this is very infrequent and not a chronic issue that is experienced in Garden Grove, including in industrially developed areas; and
- That this case of contamination involving an industrial laundry operation did not require a cessation of business and operations on either the originating contaminated site, nor on any affected off-site properties, such as the Public Works Yard.

Low-Barrier Navigation Center in the City of Garden Grove

The City of Garden Grove is currently working to develop a year-round low-barrier navigation center in partnership with the Cities of Fountain Valley and Westminster. The navigation center will provide emergency housing and wrap-around services to individuals experiencing homelessness. In September of 2022, the City of Garden Grove acquired a property located in its M-1 (Light Industrial) zone with intent to redevelop the site with an 11,363 square foot navigation center, to support 80-100 individuals experiencing homelessness within the participating cities. The site was previously used as an auto body repair and body shop for more than thirty (30) years. During the property acquisition process, Phase I and Phase II ESAs were conducted, as required by the lender involved, in order to provide an assessment concerning environmental conditions as they exist at the subject property. This assessment concluded that the detected concentrations of chemicals of concern in the soil did not represent an unacceptable risk to human health, and that there is not an elevated risk to residential users of the property due to vapor intrusion from the subsurface. At the time of the writing of this letter, architectural plans were in process to be approved by the City, and building permits ready to be issued, with commencement of construction to occur shortly thereafter.

The takeaway from this example is that although the property in the City's industrial zone had long been used for auto repair industrial uses and some chemicals of concerns were found to be present in the soil as a result of the Phase II ESA, a threat to occupants of the building via vapor intrusion was not identified, and the concentrations detected were considered to be *de minimis*, allowing for safe occupancy of the building/site for residential use. This example may be typical of other former industrial sites in the City.

Conclusion

The City of Garden Grove remains committed to facilitating the increase in supply of affordable housing, by leveraging City funds and available tools, as outlined in Program 4 (Affordable Housing Construction) of the Housing Element. This is further evidenced by the additional actionable language that was added to the Program 4 objective, "Industrial Property Contamination", which commits the City to actively monitoring industrial properties

designated for affordable housing on the City's sites inventory, through available records and databases such as, but not limited to, the State Water Board's GeoTracker, DTSC's EnviroStor, and the Orange County Health Care Agency's Industrial Cleanup Program Case Log. If industrial properties designated for affordable housing on the City's sites inventory are determined to be contaminated, based on reasonably available information, the City will evaluate whether the contamination renders the site nonviable for affordable housing. In the event the City determines a site is no longer viable, in accordance with Program 8 (Residential Sites Inventory and Monitoring of No Net Loss), the City will identify one or more additional sites within 180 days, if necessary, in order to accommodate the City's RHNA by income level, in accordance with No Net Loss law. Furthermore, when identifying additional sites, the City will ensure such sites meet the Housing Element's robust suitability criteria requirements to confirm viability for future housing. Such criteria includes various factors such as: developer/property owner interest to redevelop the site to housing; vacant land with minimal improvements; city-owned properties; existing uses that are similar to those that have been previously recycled in surrounding communities; property improvement value being less than half of the land value (ratio is less than 1.00); structure was built prior to 1985 (and therefore over 36 years of age); low existing floor-area ratio (FAR) under 0.50; no existing tenant lease(s) or lease(s) expires early within the 6th Cycle planning period; and deteriorating building and/or many tenant vacancies.

The City appreciates your time and consideration of the information provided, and looks forward to continuing to work closely with HCD to address all remaining matters to ultimately receive certification of its Housing Element. Should you have any questions or would like to discuss further, please contact Chris Chung at 714.741.5314 or at chrisc@ggcity.org.

Sincerely,



Chris Chung
Senior Planner

- Enclosures:
- 1) Adopted 2021-2029 Housing Element (November 2021) and HCD Comment Response Matrix
 - 2) Draft Revised Adopted 2021-2029 Housing Element (November 2022) and HCD Comment Response Matrix

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

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August 14, 2023

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City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Dear Chris Chung:

RE: City of Garden Grove's 6th Cycle (2013-2029) Draft Housing Element (Update)

Thank you for submitting the City of Garden Grove's (City) revised draft housing element update received for review on June 20, 2023. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The revised draft element meets the statutory requirements described in HCD's February 9, 2022 review. The housing element will substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq) when it is adopted, submitted to and approved by HCD, in accordance with Government Code section 65585, subdivision (g). HCD applauds the City in its successful implementation of Program 17 to adopt a number of zoning code updates necessary to reduce governmental constraints and overcome development barriers.

For your information, if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the regional housing needs allocation (RHNA) for lower-income households, the housing element must demonstrate that the existing use is not an impediment to additional residential development in the planning period (Gov. Code, § 65583.2, subd. (g)(2)). This can be demonstrated by providing substantial evidence that the existing use is likely to be discontinued during the planning period (Gov. Code, § 65583.2, subd. (g)(2)). Absent findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA. The City must make these findings as part of its adoption resolution. Please see HCD's Guidance memo (p. 27) for additional information: https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sites_inventory_memo_final06102020.pdf.

In addition, 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 for technical assistance.

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 must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while 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.

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 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 meets 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 your hard work and dedication provided in preparation of the City's housing element and looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact me at Melinda.Coy@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long horizontal stroke extending to the right.

Melinda Coy
Proactive Housing Accountability Chief

Table A
Responses to HCD Comments Matrix

HCD Review Comments	How HCD Comments Have Been Addressed in the Draft Revised Adopted 2021-2029 Housing Element
A: Housing Needs, Resources, and Constraints	
1. Affirmatively Furthering Fair Housing (AFFH)	Responses
<p>Fair Housing Enforcement and Outreach:</p> <ol style="list-style-type: none"> 1. While the element was revised to incorporate information on fair housing complaints, it did not address the ability to provide enforcement and outreach capacity which can consist of actions such as ability to investigate complaints, obtain remedies, or the ability to engage in fair housing testing. 2. The analysis must also describe compliance with existing fair housing laws and regulations and include information on fair housing outreach capacity. 3. Furthermore, the element should address outreach related to affirmatively further fair housing (AFFH). 	<p>Additional text has been added to address Fair Housing Enforcement and Outreach:</p> <ol style="list-style-type: none"> 1. The City of Garden Grove’s Office of Economic Development is in contract with the Fair Housing Foundation to provide a range of services that affirmatively furthers fair housing in Garden Grove. The services include landlord and tenant counseling, discrimination services, and education and outreach. Fair Housing Foundation is projected to assist approximately 210 unduplicated Garden Grove residents with fair housing related services annually. (See page 12-72) 2. The City of Garden Grove was party to the regional Orange County Analysis of Impediments to Fair Housing Choice (OCAI). The OCAI was required as part of the City’s 5-Year Consolidated Plan and lays out the specific steps that need to occur to ensure jurisdictions are furthering fair housing practices and laws. The OCAI was approved by HUD and is adopted as part of the City’s 2020-2025 Consolidated Plan. (See page 12-71) 3. Additional text related to AFFH Outreach requirements, including Garden Grove staff’s engagement activities, community centers visited, survey and flyers passed out in multiple languages, staff speaking to residents in multiple languages, etc. were added. (See page 12-74)
<p>Regional Analysis:</p> <ol style="list-style-type: none"> 1. While the element generally describes local patterns and trends, it must also analyze Garden Grove relative to the rest of the region regarding Racially and Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) and Affluence, disparities in access to opportunity, and disproportionate housing needs and displacement risks. 	<ol style="list-style-type: none"> 1. Additional discussion on surrounding cities regarding Racially and Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) and Affluence, disparities in access to opportunity, and disproportionate housing needs and displacement risks were added. Also revised the maps to include the data outside of Garden Grove for TCAC Opportunity Areas (Figure H-13). Indicated there are no R/ECAP in Garden Grove but are in surroundings cities (page 12-80).
<p>Local Data and Knowledge, and Other Relevant Factors:</p> <ol style="list-style-type: none"> 1. The element must include local data, knowledge, and other relevant factors to discuss and analyze any unique attributes about the City related to fair housing issues. 	<ol style="list-style-type: none"> 1. Reference Orange County Analysis of Impediments to Fair Housing Choice (OCAI) document (12-99). 2. National and Regional fair housing trends were added, specifically U.S. and Orange County trends (page 12-73).

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<p>2. The element should complement federal, state, and regional data with local data and knowledge where appropriate to capture emerging trends and issues, including utilizing knowledge from local and regional advocates and service providers.</p> <p>3. Also, the element must include other relevant factors that contribute to fair housing issues in the jurisdiction. This can include, but is not limited to, changes and barriers in zoning and land use rules, information about redlining/greenlining, restrictive covenants and other discriminatory practices, presence and history of place-based investment, and mobility option patterns.</p>	<p>3. Included information regarding historical patterns of segregation in Orange County and Garden Grove (<i>Mendez vs. Westminster and Korean Sammy Lee</i>). Identified one Governmental Action (OC) to remove—for free—discriminatory language in property documents. Language was added to require a new statute to streamline the removal of racial language from restrictive covenants and to work with the City Clerk to facilitate access the property records and direct the County to do so (add to AFFH program) (see page 12-75 to 12-76).</p>
<p>Access to Opportunity</p> <p>1. The element provides information on the access to opportunity through the TCAC opportunity maps but must also provide a complete local and regional analysis of patterns and trends for all components.</p> <p>2. A comprehensive analysis should include the local and regional disparities of the educational, environmental, and economic scores through local, federal, and/or state data.</p> <p>3. It should also analyze persons with disabilities as well as access to transit.</p> <p>4. Please refer to page 35 of the AFFH guidebook (link: https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance) for specific factors that should be considered when analyzing access to opportunities as it pertains to educational, employment, environmental, transportation, and any factors that are unique to Garden Grove.</p>	<p>1. Revised the TCAC map to include resource data outside of Garden Grove for TCAC Opportunity Areas (Figure H-13).</p> <p>1. Created separate TCAC Opportunity Area Maps for Education Score, Economic Score, and Environmental Score (Figure H-10 to H-12) with align text discussions on pages 12-81 to 12-87.</p> <p>2. Added HUD AFFH data that include indices for environmental health, low poverty, school proficiency, job proximity, labor market, transit, and low transportation cost (see pages 12-81 to 12-87) and identified in Table 12-35 on page 12-82).</p> <p>3. Exhibit H-5 shows the population of persons with a disability by census tract. The new indices identified above describe transit access.</p> <p>4. Expanded analysis was included to show opportunity access by indices related to environmental, low poverty, school proficiency, job proximity, labor market, transit, and low transportation cost on how each are related to Garden Grove population, poverty, and race/ethnicity (see Table 12-35 on page 12-82).</p>
<p>Disproportionate Housing Needs:</p> <p>1. The element is revised to include some information about cost burden, substandard housing, and overcrowding in the locality but the analysis is incomplete. A full analysis should identify local patterns and trends throughout the community.</p> <p>2. In addition, the element must include regional information and analysis for these categories.</p> <p>3. The element must also address homelessness and displacement risk. Currently, the draft includes maps of sensitive communities and describes various types of displacement risk, but does not describe or</p>	<p>1. Specific geographic neighborhoods (local patterns) were identified that had the highest percentage of households with overcrowding, overpayment (renter and owner) showing the highest percentages of Hispanic and Asian populations, and how these areas tend to be geographically relational. Asian concentration areas with housing problems border Westminster and southern portions of the City, and Hispanic concentration areas with housing problems border Santa Ana or the eastern areas of the City (trends)(see pages 12-87 to 12-</p>

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<p>contextualize them, or analyze any findings specific to Garden Grove.</p>	<p>98). Additionally, a set of summary issues (findings) were added to summarize key disproportionate housing needs (page 12-92) and displacement risk (page 12-95).</p> <p>2. Under the Disproportionate Need section under AFFH (Constraints Chapter), additional text was added to describe the regional context and analysis comparing households with four severe housing problems. Garden Grove is compared to Stanton, Anaheim, Seal Beach, Cypress, Sana Ana, Orange, and Los Alamitos (page 12-87).</p> <p>3. Homeless statistics were added, including a list of homeless programs, facilities, and resources. This discussion also identifies the preparation of the Comprehensive Strategic Plan to Address Homelessness (pages 12-91 to 12-92). Displacement was further expanded to include the Urban Displacement Project analysis under the HCD AFFH dataset. It identified that most neighborhoods, except on the west side, are vulnerable to displacement. A summary of Displacement Findings was added to this section (page 12-95).</p>
<p>Contributing Factors:</p> <ol style="list-style-type: none"> 1. The element provides a general list of contributing factors (p. 83); however, the contributing factors identified are generally not responsive to the analysis presented in the AFFH analysis. 2. The City’s composition and location in the region presents unique fair housing challenges largely not captured by the contributing factors. As a result, the City should revise the AFFH section as noted above, re-evaluate contributing factors, and prioritize the contributing factors. 3. As a reminder, the contributing factors should be foundational pieces for the AFFH programs. 	<ol style="list-style-type: none"> 1. Contributing factors were added and responsive to the AFFH analysis (page 12-97 and page 12-168). 2. and 3. Contributing factors were reevaluated. Contributing factors and housing issues identified by AFFH are prioritized in Housing Plan (under AFFH program) (page 12-168).
<p>Site Inventory and AFFH:</p> <ol style="list-style-type: none"> 1. The element was revised to provide some general analysis and generally states that the sites improve fair housing and equal opportunities conditions in Garden Grove (pp. 12-83). However, this is not sufficient to demonstrate whether sites identified to meet the regional housing needs allocation (RHNA) are distributed throughout the community in a manner that AFFH. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that effects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). 	<ol style="list-style-type: none"> 1. and 2. A complete analysis was added to address the income categories of identified sites with respect to location, the number of sites and units by all income groups, and how that effects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). Discussion was added about how the sites inventory exacerbates or improves existing conditions (pages 12-136 to 12-139). 3. and 4. Based on the analysis, Program 18 (pages 12-168 to 12-172) includes

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<p>2. In addition, as noted in the element sites are located in the moderate resourced areas followed by low resourced areas. The element should address this and discuss whether the distribution of sites improves or exacerbates conditions.</p> <p>3. If sites exacerbate conditions, the element should identify further program actions that will be taken to overcome patterns of segregation and promote inclusive communities, including actions beyond the RHNA.</p> <p>4. Depending on the results of a complete analysis, the element should add programs as appropriate.</p>	<p>meaningful actions to address any exacerbation of conditions.</p>
<p>Goals, Priorities, Metrics, and Milestones</p> <p>1. The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Currently the element relies solely on programs which are not transformative, meaningful, or specific. Many of these actions simply involve coming into compliance with state law.</p> <p>2. Goals and actions must specifically respond to the analysis and the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends.</p> <p>3. 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. For example, as identified in third party comments, the AFFH analysis shows patterns of racial and economic segregation but does not include programs to adequately address these patterns nor address potential displacement risk.</p>	<p>1. and 2. AFFH goals and policies were revised to be more transformative, meaningful, and specific. See Program 18 on pages 12-168 to 12-172.</p> <p>2. and 3. New actions were added to address analysis identified in the AFFH section. See Program 18 on pages 12-168 to 12-172.</p>
<p>2. Sites Inventory</p>	
<p>Electronic Sites Inventory:</p> <p>Pursuant to Government Code section 65583.3, subdivision (b), upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov. HCD has not received a copy of the electronic inventory. Please note, the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.</p>	<p>The electronic sites inventory excel file was sent to HCD on February 10, 2022. A revised sites inventory table will be sent to HCD following adoption of the Draft Revised Adopted 2021-2029 Housing Element.</p>
<p>Realistic Capacity</p> <p>1. The element now lists recent developments to support capacity assumptions and trends related to residential development in mixed-use zone; however,</p>	<p>Additional analysis was added to recognize the likelihood of 100 percent nonresidential uses reflecting developer interest and regional trends. Opportunities exist for</p>

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<p>the analysis of realistic capacity should account for the likelihood of 100 percent nonresidential uses.</p>	<p>residential development in other parts of the City, but the sites inventory focuses in areas where development of residential uses is most likely given the development standards allowing very high densities, developer interest in residential developments, site size and location (along major corridors), and the immediate area's development track record. The new section includes a list of development projects near the identified sites that allow similar uses and shows that the development demand in these areas is for residential development (also includes Harbor Boulevard within Santa Ana). As such, the likelihood that the identified units will be developed as noted in the inventory in zones that allow nonresidential uses is very high. See pages 12-110 to 12-113, specifically update of Table 12-45, Table 12-46, and Table 12-47.</p>
<p>Suitability of Nonvacant Sites</p> <p>1. Specific analysis and actions are necessary if the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. 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).)</p> <p>2. While the element contains some information relating to underutilization, age of structure, and building-to-land value ratio, it does not provide analysis demonstrating the uses are likely to discontinue in the planning period. For example, only a few sites include information related to existing leases and owner interest, but no information was provided related to whether the uses on other sites would impede residential development. For example, the element could describe if uses are operating or marginalized, information on interest in redevelopment and relate redevelopment and market trends to the identified sites. In particular, the element.</p> <p>3. In addition, the adopted resolution did not include necessary findings based on substantial evidence that the uses will likely discontinue in the planning period. Please see HCD's prior review for additional information.</p>	<p>1. The City has identified 16 recently constructed mixed-use and affordable housing projects in neighboring cities to identify the properties' existing uses and building age prior to the construction of the new housing project (see Table 12-46). This table helps identify existing land use and building age trends.</p> <p>2. To demonstrate the suitability of non-vacant sites, a set of criteria was identified using region trends identified in Table 12-46, as well as other relevant property conditions, market trends, and information. The criteria identified includes property owner interest, vacant/ minimal property improvements, City ownership, existing use (based on trends), building/land value ratio, year building built (based on trends), building intensity (FAR), lease expiration, building conditions, and tenant vacancy. Tables 12-48 (pages 12-122 to 12-131), which list sites in the lower income categories, indicate which criteria they meet to show suitability of the site. The criteria are identified on pages 12-120 to 12-121</p> <p>3. The City plans to readopt the Housing Element and will include the necessary findings language on substantial evidence that the uses will likely discontinue in the planning period.</p>
<p>Senate Bill 9 (Statutes of 2021) Projections: The element is now projecting 1,459 units that will be developed based on the passage of SB 9 (Statutes of 2021) to accommodate a portion of its above moderate</p>	<p>1. and 2. Included the site-specific inventory. Expanded the analysis of eligible sites. Appendix B identified all of the 1,400 + SB9 unit sites and they are mapped on Figure H-19.</p>

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<p>income RHNA. To utilize projections based on SB 9 legislation, the element must;</p> <p>1) include a site-specific inventory of sites where SB 9 projections are being applied;</p> <p>2) include a nonvacant sites analysis demonstrating the potential for redevelopment and that the existing use will not constitute as an impediment for additional residential use and;</p> <p>3) include programs and policies that establish zoning and development standards early in the planning period and implement incentives to encourage and facilitate development. The element should also support this analysis with local information such as local developer or owner interest to utilize zoning and incentives established through SB 9.</p>	<p>3. Created a program (Program 9 on pages 12-157 to 12-158) to prepare an ordinance and establish incentives to encourage the creation of duplexes or subdivision of existing lots. The City has already adopted an SB9 ordinance. Objective standards have been adopted by the City Council.</p>
<p>Accessory Dwelling Units (ADU):</p> <p>The ADU numbers have been reassessed in this element and the City acknowledges that the ADU counts in their annual progress reports (APRs) are undercounted and includes Program 9 to update the City’s APR data.</p> <p>1. However, it is still unclear from both the element and the documentation provided with the review how many units have been permitted since 2018. The element states that an average of 242 units have been permitted per year and therefore 2,009 units are likely to be built in the planning period. However, this calculation seems to be inaccurate as five years of data was provided resulting in an average of 193 per year which equate to an eight-year projection of 1,544 units. Accompanying documentation shows an average of 237 which would equate to an eight-year projection of 1,896. The element must reconcile the factors used to project the number of ADU’s expected to be built in the planning period and adjust the projection accordingly.</p>	<p>1. The ADU section was revised to include final building permit data between 2019 and 2021 (see pages 12-109 to 12-110). The City conducted extensive and comprehensive review of building permit reports and information to confirm the ADU permitting numbers and to ensure accuracy. An eight-year planning period was used to project out the potential number of ADUs that could be counted against the RHNA.</p> <p>Number 2019 to 2021: 2019 = 218 2020 = 268 2021 = 283 Average: $769/3 = 256$ ($256 \times 8 = 2,048$)</p>
<p>Zoning for a Variety of Housing Types:</p> <p>Transitional and Supportive Housing:</p> <p>1. While the element was revised to include additional information related to how transitional housing is allowed, it does not provide information related to supportive housing.</p> <p>2. In addition, the information provided on pages 12-59 seems to distinguish between number of occupants living together. This is inconsistent with state law which states “Transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.” (Gov. Code, § 65583, subd. (c)(3), emphasis added.) This means if transitional or supportive housing is located in a single-family home, for instance, the city cannot require a use permit for the transitional or supportive housing unless it also generally requires a use permit for all other single-family homes in the same zone. This rule applies regardless of the number of occupants. The City cannot, for instance, require a use</p>	<p>1., 2., and 3. Added language to Program 17 (Zoning Code Update) on pages 12-163 to 12-168 to amend the Zoning Code so that transitional and supportive housing, including residential group home living, shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone, and remove any restrictions on the number of occupants. The code amendments implementing this program have been adopted by the City Council.</p>

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<p>permit for transitional and supportive housing with six or more occupants unless it requires such a use permit for single-family homes in the same zone generally. 3. The element must include a program to update the zoning ordinance consistent with these standards.</p>	
<p>3. Governmental Constraints</p>	
<p>Processing and Permitting Procedures 1. While the element indicates that no multi-family projects have been denied based on the approval finding and that the City must follow state law, it does not analyze the permit or the process as a potential constraint. A full analysis should assess the process impact on approval certainty, supply, affordability, timing, and other relevant factors and in particular analyze the subjective design standards noted in HCD’s prior review.</p>	<p>1. The City Council has adopted targeted amendments to the Zoning Code to eliminate subjective development and design standards. This action removed uncertainties in the development review process. See Program 17 (Zoning Code Update) on pages 12-163 to 12-168.</p>
<p>Housing for Persons with Disabilities: 1. While the element was revised to identify a reasonable accommodation procedure through the housing authority, it did not include the findings for approval of reasonable accommodation requests. 2. In addition, the element did not address HCD’s previous finding to analyze the conditional use process requirement for group homes of seven or more. Zoning should simply implement a barrier-free definition of family instead of subjecting, potentially persons with disabilities, to special regulations such as the number of persons, population types and licenses. 3. The element should specifically analyze these constraints for impacts on housing supply and choices and approval certainty and objectivity for housing for persons with disabilities and include programs as appropriate.</p>	<p>1. The City has a reasonable accommodation procedure to facilitate adaptation of homes for people with disabilities and will codify updated procedures for reviewing and granting Reasonable Accommodation requests (as outlined in Program 23 on page 12-177). City adopted a resolution 10 years ago. 2. and 3. The City Council has adopted targeted amendments to the Zoning Code that state that transitional and supportive housing, including residential group home living, are considered a residential use of property subject only to those restrictions that apply to other residential dwellings of the same type in the same zone. The amendments remove restrictions on the number of occupants and provide for group homes for 7+ clients to be treated objectively. See Program 17 (Zoning Code Update) on pages 12-163 to 12-168.</p>
<p>B. Housing Programs</p>	
<p>1. As noted in Finding A1, 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, the element should be revised as follows:</p>	<p>The Land Use Element and Zoning Code were amended in November of 2021 to increase capacity to meet the RHNA.</p>
<p>Sites Inventory (Program) 1. As stated in our prior review, if rezoning is not completed by October 15, 2021, the element must include a program(s) to identify sites with appropriate zoning to accommodate the regional housing need</p>	<p>Program 17 has been revised to clarify that the Land Use Element and Zoning Code were amended to increase housing capacity</p>

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<p>within the planning period. (Gov. Code, § 65583.2, subd. (h) and (i).) The element should clarify when and if rezoning has occurred and amend zoning to be consistent with Government Code section 65583.2(h) and (i) as needed.</p>	<p>to meet RHNA. See Program 17 (Zoning Code Update on pages 12-163 to 12-168).</p>
<p>Nonvacant Sites Reliance to Accommodate RHNA (Program)</p> <p>1. HCD’s prior review found that the element relies upon nonvacant sites to accommodate the regional housing need for lower-income households, so it should include a program(s) to promote residential development affordable to lower-income housing on these sites.</p> <p>The program could commit to provide financial assistance, regulatory concessions such as a streamlined permit processing, or incentives including the adoption of an affordable housing overlay pursuant to Program 22 to encourage and facilitate new, or more intense, residential development on the sites.</p> <p>2. In addition, the element could amend Program 12 to monitor development on sites in the mixed-use zone as it relates to the provision of housing affordable to lower-income households and commit provision of additional actions as necessary to facilitate development.</p>	<p>1. Program 12 (pages 12-159 to 12-160) includes the following text: “Technical Support. Facilitate the development of residential units in mixed-use areas by providing technical support to facilitate lot consolidation, financial assistance (where feasible), and streamlined permit processing. The City will establish specific and objective criteria for mixed-use site plan reviews and will target development densities as estimated in the Housing Element.” Program 22 considers establishing an Affordable Housing Overlay, see page 12-176.</p> <p>2. Text was added “Relating to the Provision of Housing Affordable to Lower-Income Households” to Annual Monitor Development. Additionally, the text was revised: “the City will commit to developing additional actions as necessary, including, but not limited to incentives, waivers, concessions, expedited processing, and other regulatory approaches (including examination of development standards) to ensure the City satisfies its identified housing need (RHNA).” See pages 12-159 to 12-160.</p>
<p>Program 4 (Affordable Housing Construction):</p> <p>HCD’s prior review found the element must describe and analyze environmental constraints that may impede the development of housing within the planning period on these sites, specifically the provision of housing affordable to lower-income housing. The City added more information on environmental constraints related to industrial contamination in starting on pages 12-122 and program 4 has been revised to include City assistance, both technical and funding, where available, to sites that have been determined to be contaminated based on environmental site assessments.</p> <p>1. However, the City does not specify when these assessments will be complete. The element should add a program to ensure environmental constraints are addressed and include a timeline for conducting such assessments within a year of housing element adoption.</p>	<p>Text was added to identify when technical studies will be conducted to identify contamination issues with properties. Studies are the responsibilities of an applicant and are to be conducted prior to or during the entitlement process. See Program 4 on page 12-154.</p> <p>Additionally, under the 12.4 Housing Resources chapter, analysis was added to understand how industrial properties or contaminated sites are constructed with new housing. The analysis was based on conversations with the development community and other Garden Grove departments with direct experience in developing industrial properties or contaminated sites. Examples of various projects were introduced to show how remediation approaches allow for residential development and how remediation costs are then built into the housing developer’s acquisition costs. The analysis shows how industrial or</p>

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	contaminated sites are not an impediment to building new housing on those sites.
<p>Extremely Low- Very Low-, Low- and Moderate-Income Households (Program)</p> <p>1. While the element includes programs to assist in the development of very low-, low-, and moderate-income households, it must also include a program(s) to assist in the development of housing affordable extremely low-income (ELI) households. Programs must be revised or added to the element to assist in the development of housing for ELI households. For example, Program 13 in the element could describe what the City will do to encourage developers to include ELI units with wraparound services.</p> <p>2. In addition, the element states that the City is working with the owners of the Tamerlane Drive property (pp.12-63) to preserve at-risk units. Program 7 could be updated to reflect these efforts.</p>	<p>Program 13 has been updated to identify existing programs that will continue.</p> <p>1. Garden Grove has a Permanent Supportive Housing Program in place to increase and preserve the supply of supportive housing for extremely low-income households. This program produces affordable housing through the acquisition and rehabilitation of existing housing units, as well as the construction of new units. In the past, the City has partnered with nonprofit organizations and housing developers to accomplish this goal. Currently, the City is developing the Stuart Drive Permanent Supportive Housing Project, which is anticipated to open by July 1, 2022.</p> <p>The City implemented the Homeless Emergency Assistance and Rental Transition (HEART) Program and the Mainstream and Emergency Housing Voucher Programs, which provide tenant-based rental assistance and supportive services to extremely low-income individuals. These programs provide rental assistance and wrap around supportive services for Garden Grove households experiencing homelessness. This program effectively turns market rate rental units into affordable units for extremely low-income households, and the supportive services work to help the household maintain that housing once the assistance lapses.</p> <p>2. Program 7 (see page 12-156) was updated to reflect City efforts to preserve at-risk units.</p>
<p>Governmental Constraints (Program)</p> <p>1. As noted in Finding A2, 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.</p>	<p>Program 17 (Zoning Code Update) was updated to reflect zoning amendments to implement various policies and programs set forth in the General Plan Housing Element and Land Use Element and to ensure compliance with applicable State housing laws. These amendments have been adopted. This includes focused zoning text amendments to Chapters 9.04 (General Provisions), 9.08 (Single-Family Residential Development Standards), 9.12 (Multifamily Residential Development Standards), 9.18 (Mixed Use Regulations and Development Standards), and 9.32 (Procedures and Hearings) of Title 9 of the Municipal Code to update the definitions, development standards, and land use action</p>

HCD Review Comments	How HCD Comments Have Been Addressed in the Draft Revised Adopted 2021-2029 Housing Element
	<p>procedures pertaining to single-family residential development, multiple family residential development, mixed use development, landscaping standards, transitional and supportive housing, and single room occupancy housing. The City is also added a new Chapter in Title 9 of the Municipal Code containing and consolidating special regulations pertaining specifically to housing development projects. See Program 17 (Zoning Code Update) on pages 12-163 to 12-168.</p>
<p>Affirmatively Further Fair Housing Opportunities (Program) 1. As noted in Finding A1, the element requires a complete analysis of AFFH. Depending upon the results of that analysis, the City may need to revise or add programs to AFFH.</p>	<p>Program 18 (Affirmative Furthering Fair Housing on pages 12-169 to 12-171) has been expanded and reorganized as a table. Issues and contributing factors have been added. Meaningful actions have been revised and added to address housing issues. A timeframe has added to each meaningful action. Each action is specific. With the latest AFFH revisions, additional metrics language was added to Action 3. Action 8 was further expanded by adding consultation with Fair Housing Council to assist in providing multi-lingual tenant legal counseling. Revisions to Action 10 and Action 11 were added to clearly identify reasonable metrics.</p>

ORDINANCE NO. 2925

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING ZONING AMENDMENT NO. A-031-2021 MAKING FOCUSED AMENDMENTS TO TITLE 9 OF THE GARDEN GROVE MUNICIPAL CODE AND THE ZONING MAP TO IMPLEMENT THE GENERAL PLAN HOUSING ELEMENT AND LAND USE ELEMENT UPDATES BY INCREASING THE MAXIMUM PERMITTED RESIDENTIAL DENSITY IN MIXED USE ZONES, IMPLEMENTING A MIXED-USE OVERLAY ZONE ALLOWING RESIDENTIAL AND MIXED-USE DEVELOPMENT ON SPECIFIED PARCELS, AND REZONING SPECIFIED PARCELS TO ALLOW MULTIPLE-FAMILY RESIDENTIAL USES

City Attorney Summary

This Ordinance makes focused amendments to Title 9 of the Garden Grove Municipal Code (Land Use Code) and the Zoning Map consistent with the General Plan Housing Element and Land Use Element Updates to implement and comply with the 6th Cycle (2021-29) of the Regional Housing Needs Assessment (RHNA). Specifically, this Ordinance (1) revises the Development Standards tables in Sections 9.18.090.020, 9.18.090.030, 9.18.090.070, and 9.18.090.080 of the Land Use Code to increase the maximum permitted residential densities in the Garden Grove Boulevard Mixed Use Zones, the Civic Center Mixed Use Zones, the Neighborhood Mixed Use Zone, and the Adaptive Reuse Zone by an average of 25 percent; (2) amends the Zoning Map to change the zoning designation of specified parcels identified in the General Plan Housing Element Sites Inventory to allow for multiple-family uses on these parcels; and (3) adds new Section 9.18.190 to the Land Use Code to establish a Mixed Use Overlay Zone allowing the development of residential and mixed-use projects on identified properties within the International West Mixed Use, the Industrial/Residential Mixed Use 1, and the Residential/Commercial Mixed Use 2 Land Use designations of the General Plan Land Use Element; and (4) amends the Zoning Map to apply the Mixed Use Overlay Zone to specified parcels identified in the General Plan Housing Element Sites Inventory.

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE FINDS AND DETERMINES AS FOLLOWS:

WHEREAS, Government Code 65584 requires local jurisdictions to encourage, promote, and facilitate the development of housing to accommodate its regional housing need; and

WHEREAS, the State-mandated 6th Cycle of the Regional Housing Needs Assessment (RHNA) requires the City of Garden Grove to plan for 19,168 dwelling units for all income level during the 2021-2029 planning period; and

WHEREAS, the City of Garden Grove has initiated a Focused General Plan Update and Zoning Amendments project (collectively, the "FGPUZA" or "Project"). The FGPUZA includes (1) General Plan Amendment No. GPA-003-2021, consisting of updates to the General Plan Housing Element, Land Use Element, and the Safety Element, and adoption of a new General Plan Environmental Justice Element to

comply with State law provisions, including complying with the 6th Cycle (2021-2029) of the Regional Housing Needs Assessment (RHNA) that requires the City to plan for 19,168 residential dwelling units for all income levels during the 2021-2029 planning period; and (2) Zoning Amendment No. A-031-2021, consisting of text/map amendments to Title 9 of the Municipal Code and to the Zoning Map to implement the Housing Element and Land Use Element Updates; and

WHEREAS, in compliance with the California Environmental Quality Act, California Public Resources Code Section 21000 *et seq.* ("CEQA") and CEQA's implementing Guidelines, California Code of Regulations, Title 14, Section 15000 *et seq.* (CEQA Guidelines), a Program Environmental Impact Report (Program EIR) has been prepared for the FGPUZA that analyzes its potential environmental impacts and recommends mitigation measures to reduce impacts to a less than significant level, where feasible; and

WHEREAS, the Planning Commission of the City of Garden Grove held a duly noticed public hearing on October 21, 2021 and considered all oral and written testimony presented regarding the proposed Project; and,

WHEREAS, on October 21, 2021, following the public hearing, the Planning Commission adopted (i) Resolution No. 6031-21 recommending that the City Council certify the EIR for the FGPUZA and approve General Plan Amendment No. GPA-003-2021, and (ii) Resolution No. 6032-21 recommending that the City Council approve Zoning Amendment No. A-031-2021; and

WHEREAS, on November 9, 2021, the City Council adopted Resolution No. 9714-21 (i) adopting a Mitigation Monitoring and Reporting Program, (ii) adopting a Statement of Overriding Considerations, and (ii) certifying the Program EIR for the FGPUZA; and

WHEREAS, on November 9, 2021, the City Council adopted Resolution No. 9713-21, approving General Plan Amendment No. GPA-003-2021; and,

WHEREAS, a duly noticed public hearing regarding Amendment No. A-031-2021 was held by the City Council on November 9, 2021, and all interested persons were given an opportunity to be heard; and,

WHEREAS, the City Council gave due and careful consideration to the matter; and

WHEREAS, the City Council hereby makes the following findings regarding Amendment No. A-031-2021:

A. The proposed zoning text and map amendments are internally consistent with the goals, policies, and elements of the General Plan. Pursuant to General Plan Amendment No. GPA-003-2021, the City Council has adopted updates to the Housing Element and the Land Use Element to comply with the state law's 6th Cycle (2021-2029) of the Regional Housing Needs Assessment (RHNA) that requires the

City to plan for 19,168 additional residential dwelling units for all incomes levels during the planning period. Zoning Amendment No. A-031-2021 implements the Housing Element and Land Use Element Updates by increasing the maximum permitted residential densities within the City's Mixed Use Zones to be consistent with the mixed-use land use densities identified in the updated Land Use Element; creating a Mixed-Use Overlay Zone for properties located in the International West Mixed Use, the Industrial/Residential Mixed Use 1, and the Residential/Commercial Mixed Use 2 General Plan land use designations to promote housing production on selected parcels identified in the updated Housing Element Sites Inventory; and rezoning selected parcels identified in the updated Housing Element Sites Inventory to permit the development of multiple-family residential uses.

B. The proposed text and map amendments will promote the public interest, health, safety, and welfare of the surrounding community. Zoning Amendment No. A-031-2021 will implement the goals and policies of the Housing Element and Land Use Element Updates to promote housing production for all income levels in conformance with state law's 6th Cycle (2021-2029) of the Regional Housing Needs Assessment (RHNA) that requires the City to plan for 19,168 residential dwelling units during the 2021-2029 planning period.

C. The parcels subject to the proposed Zoning Map amendments are physically suitable for the requested land use designations, compatible with surrounding land uses, and consistent with the General Plan. The parcels proposed to be rezoned and the parcels to which the new Mixed Use Overlay Zone is proposed to be applied were evaluated in conjunction with the FGPUZA project and determined to be suitable for the development of housing and identified in the Housing Element Sites Inventory. In addition, the proposed zoning designation of each subject parcel is consistent with the land use designation of each parcel under the Land Use Element.

D. The change of zoning classification of the subject parcels identified in the proposed amendments to the Zoning Map is consistent with the City's General Plan and will ensure a degree of compatibility with surrounding properties and uses. The zone change amendments will rezone properties to be internally consistent with the goals and policies of the Land Use Element Update for promoting housing production for all income levels in conformance with State law and the 6th Cycle (2021-2029) Regional Housing Needs Assessment and will apply the new Mixed-Use Overlay Zone to specific properties located in the International West Mixed Use, the Industrial/Residential Mixed Use 1, and the Residential/Commercial Mixed Use 2 land use designations to promote housing production on selected parcels identified in the updated Housing Element Sites Inventory. The subject rezoned parcels will have a similar zoning designation as surrounding parcels, which will ensure that the parcels are developed to a similar density as the surrounding parcels with the same zoning designation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds that the above recitals are true and correct.

SECTION 2. Zoning Amendment No. A-031-2021 is hereby approved pursuant to the findings set forth herein and the facts and reasons stated in Planning Commission Resolution No. 6032-21, a copy of which is on file in the Office of the City Clerk, and which is incorporated herein by reference with the same force and effect as if set forth in full.

SECTION 3. Table 9.18-2 (Development Standards for the Garden Grove Boulevard Mixed Use Zone) of Section 9.18.090.020 (Garden Grove Boulevard Mixed Use Zone (GGMU) Development Standards) of Section 9.18.090 (Development Standards Specific to Individual Mixed Use Zones) of Chapter 9.18 (Mixed Use Regulations and Development Standards) is hereby amended as follows to increase the maximum permitted residential density in the GGMU-1, GGMU-2, and GGMU-3 Zones (additions shown in ***bold/italics***; deletions shown in ~~strikethrough~~):

Development Standards	Garden Grove Boulevard Mixed Use Zones		
	GGMU-1	GGMU-2	GGMU-3
Maximum Residential Density (units/acre)	42 <i>60</i> units/acre	21 <i>24</i> units/acre	32 <i>48</i> units/acre

SECTION 4. Table 9.18-4 (Development Standards for the Civic Center Mixed Use Zones) of Section 9.18.090.030 (Civic Center Zone Development Standards) of Section 9.18.090 (Development Standards Specific to Individual Mixed Use Zones) of Chapter 9.18 (Mixed Use Regulations and Development Standards) is hereby amended as follows to increase the maximum permitted residential density in the CC-1, CC-2, and CC-3 Zones (additions shown in ***bold/italics***; deletions shown in ~~strikethrough~~):

Development Standards	Civic Center Mixed Use Zones			
	CC-1	CC-2	CC-3	CC-OS
Maximum Residential Density (units/acre)	21 <i>24</i> units/acre	32 <i>48</i> units/acre	42 <i>60</i> units/acre	Development standards per site plan review process.

SECTION 5. Table 9.18-5 (Development Standards for the Neighborhood Mixed Use Zone) of Section 9.18.090.070 (Neighborhood Mixed Use Zone (NMU) Development Standards) of Section 9.18.090 (Development Standards Specific to Individual Mixed Use Zones) of Chapter 9.18 (Mixed Use Regulations and Development Standards) is hereby amended as follows to increase the maximum permitted residential density in the Neighborhood Mixed Use Zone (additions shown in ***bold/italics***; deletions shown in ~~strikethrough~~):

Development Standards	Neighborhood Mixed Use Zone
Maximum Residential Density (units/acre)	21 24 units/acre

SECTION 6. Table 9.18-7 (Development Standards for the Adaptive Reuse Zone) of Section 9.18.090.080 (Adaptive Reuse Zone (AR) Development Standards) of Section 9.18.090 (Development Standards Specific to Individual Mixed Use Zones) of Chapter 9.18 (Mixed Use Regulations and Development Standards) is hereby amended as follows to increase the maximum permitted residential density in the Adaptive Reuse (AR) Zone (additions shown in ***bold/italics***; deletions shown in ~~strikethrough~~):

Development Standards	Adaptive Reuse Zone (AR)
Maximum Residential Density (units/acre)	32 48 units/acre

SECTION 7. Section 9.18.190 is added to Title 9 of the Municipal Code to read:

Section 9.18.190. Mixed Use Overlay Zone (MU)

9.18.190.010. Intent

The Mixed Use Overlay zone is established to implement the General Plan Land Use Element and the Community Design Element directives applicable to the International West Mixed Use, Industrial/Residential Mixed Use 1, and Residential/Commercial Mixed Use 2 General Plan land use designations, where the overlay zone has been applied on the Zoning Map. The purpose of the Mixed Use Overlay Zone is to allow for residential and mixed-use developments as set forth in this section in addition to those uses regulated by the underlying zone. The use regulations and development and design standards set forth in this section establish minimum standards for the use and development of land within the Mixed Use Overlay Zone. Where the standards may conflict with those of the underlying zone, the standards in this section shall prevail. Where this section is silent with regard to a particular development standard or standards, the standards of the underlying zone shall apply.

9.18.190.020. International West Mixed Use Overlay

- A. **Applicability.** This subsection shall apply to properties within the International West Mixed Use General Plan land use designation to which the Mixed Use Overlay zone has been applied as shown on the Zoning Map.
- B. **Intent.** The International West Mixed Use Overlay is intended to create a transit-oriented development district around the OC Transit line station at Harbor Boulevard and Westminster Avenue. It is intended that new developments will

consist of a complementary mix of uses that benefit from ready access to rail transit, anchored by multi-family residential with commercial services and retail uses along pedestrian-friendly street frontages.

- C. **Allowed Uses.** For projects utilizing the International West Mixed Use Overlay, allowed uses shall be the same as those allowed in the Garden Grove Boulevard Mixed Use 1 (GGMU-1) zone pursuant to Table 9.18-1 of Section 9.18.020.030, subject to the conditions and standards set forth in Section 9.18.030 (Specific Uses- Special Operating Conditions and Development Standards), with exception that Adult Entertainment uses shall not be permitted.
- D. **Development Standards.** For projects utilizing the International West Mixed Use Overlay, the development standards shall be the same as those applicable to the GGMU-1 zone as set forth in Chapter 9.18, except as otherwise expressly provided herein. The following exceptions shall apply:
1. **Residential Density.** A maximum of 70 dwelling units per acre is permitted.
 2. **Stand-alone Residential.** Stand-alone residential projects are permitted with no commercial component or minimum floor area ratio required.
 3. **Landscaping and Streetscape.**
 - a. For sites north of the SR-22 Freeway, and located along a major arterial, all landscape and hardscape treatments (i.e., street trees and sidewalk improvements) within the front and side street setback areas, including the public right-of-way, shall conform with the landscape treatment of the Harbor Boulevard Resort Area, with exception that sites not located along a major arterial shall comply with the landscape requirements of Chapter 9.18. For projects located on a major arterial, the landscape treatment shall include two rows of Date Palm Trees (minimum brown trunk height of 25 feet), canopy trees (minimum 24-inch box), shrubs, and ground cover. Landscape materials shall match the landscape materials used within the existing project located on the southwest corner of Harbor Boulevard and Chapman Avenue, as well as match the existing public right-of-way landscape improvements located along Harbor Boulevard between Chapman Avenue and Garden Grove Boulevard. The landscape area shall include up-lighting on the trees. The sidewalk pattern shall be consistent with the Harbor Boulevard Decorative Sidewalk Improvements standard of the Public Works Department.
 - b. For sites located south of the SR-22 Freeway, all landscaping shall comply with the landscape requirements of Chapter 9.18.
 4. **Signage.** Signage shall comply with Chapter 9.20 as applicable to the GGMU-1 zone, with exception that projects located north of the SR-22 Freeway shall comply with the sign requirements of Section 9.20.045 (Overlay Design

Standards for the International West Report Area) if the project site is located within the boundary area of said sign overlay.

5. **Mixed Use Projects.** For mixed-use projects, the public plaza requirements of Section 9.18.090.020.F shall apply to projects abutting a major arterial, including Harbor Boulevard, Garden Grove Boulevard, Trask Avenue, and Westminster Avenue.

9.18.190.020. Industrial/Residential Mixed Use 1 Overlay

- A. **Purpose.** This subsection shall apply to properties within the Industrial/Residential Mixed Use 1 General Plan land use designation where the overlay zone has been applied as shown on the Zoning Map.
- B. **Intent.** The Industrial/Residential Mixed Use 1 Overlay is intended to accommodate residential development on properties located within the existing Industrial/Residential Mixed Use 1 land use designation..
- C. **Allowed Uses.** For projects utilizing the Industrial/Residential Mixed Use 1 Overlay, allowed uses shall be the same as those allowed in the Garden Grove Boulevard Mixed Use 1 (GGMU-1) zone pursuant to Table 9.18-1 of Section 9.18.020.030, subject to the conditions and standards set forth in Section 9.18.030 (Specific Uses - Special Operating Conditions and Development Standards), with exception that Adult Entertainment uses shall not be permitted. In addition, Live-Work and Work-Live uses are allowed subject to Conditional Use Permit approval.
- D. **Development Standards.** For projects utilizing the Industrial/Residential Mixed Use 1 Overlay, the development standards shall be the same as those applicable to the GGMU-1 zone set forth in Chapter 9.18, except as otherwise expressly provided herein. The following exceptions shall apply:
 1. **Residential Density.** A maximum of 60 dwelling units per acre is permitted.
 2. **Stand-alone Residential.** Stand-alone residential projects are permitted with no commercial component or minimum floor area ratio required.
 3. **Plaza Requirements.** There shall be no plaza requirement for mixed-use or stand-alone residential projects.
 4. **Signage.** Signage shall comply with Chapter 9.20 as applicable to the GGMU-1 zone.
 5. **Landscaping.** All landscaping shall comply with the landscape requirements of Chapter 9.18.

9.18.190.030. Residential/Commercial Mixed Use 2 Residential Overlay

- E. **Purpose.** This subsection shall apply to properties within the Residential/Commercial Mixed Use 2 General Plan land use designation located along Westminster Avenue where the overlay zone has been applied as shown on the Zoning Map.
- F. **Intent.** The intent of the Residential/Commercial Mixed Use 2 Residential Overlay is to facilitate the development of stand-alone residential development along Westminster Avenue.
- G. **Allowed Uses.** For projects utilizing the Residential/Commercial Mixed Use 2 Residential Overlay, only residential uses shall be permitted, and shall be the same residential uses as those allowed in the Garden Grove Boulevard Mixed Use 2 (GGMU-2) zone pursuant to Table 9.18-1 of Section 9.18.020.030, subject to the conditions and standards set forth in Section 9.18.030 (Specific Uses - Special Operating Conditions and Development Standards). No commercial uses or Residential/Commercial Mixed Use Development shall be permitted with implementation of this residential overlay.
- H. **Development Standards.** For projects utilizing the Residential/Commercial Mixed Use 2 Residential Overlay, the R-3 (Multiple-Family Residential) zone development standards of Chapter 9.12 shall apply except as otherwise expressly provided herein. The following exceptions shall apply:
1. **Residential Density.** A maximum of 24 dwelling units per acre is permitted.
 2. **Signage.** Signage shall comply with Chapter 9.20 as applicable to the R-3 zone.
 3. **Landscaping.** All landscaping shall comply with the landscape requirements of Chapter 9.12.

SECTION 8. The properties shown on the attached Exhibit A, Exhibit B, Exhibit C, and Exhibit D maps, and accompanying Exhibit E with corresponding Assessor's Parcel Numbers, shall be included in the Mixed-Use Overlay Zone, as specified on Exhibits A, B, C, D, and E. The Zoning Map shall be amended accordingly.

SECTION 9. The properties shown on the attached Exhibit F map, and the accompanying Exhibit G with corresponding addresses and Assessor's Parcel Numbers are hereby rezoned to Multiple-Family Residential (R-3), Neighborhood Mixed Use (NMU), Garden Grove Boulevard Mixed Use 2 (GGMU-2), Garden Grove Mixed Use 3 (GGMU-3) and Civic Center Core (CC-3), as specified on Exhibits F and G. The Zoning Map shall be amended accordingly.

SECTION 10: If any section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision

shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words or portions thereof be declared invalid or unconstitutional.

SECTION 11: The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.

The foregoing Ordinance was passed by the City Council of the City of Garden Grove on the 14th day of December, 2021.

/s/ STEVE JONES
MAYOR

ATTEST:

/s/ TERESA POMEROY, CMC
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, TERESA POMEROY, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Ordinance was introduced for first reading and passed to second reading on November 9, 2021, with a vote as follows:

AYES: COUNCIL MEMBERS: (6) BRIETIGAM, O'NEILL, NGUYEN D.,
KLOPFENSTEIN, NGUYEN K., JONES
NOES: COUNCIL MEMBERS: (0) NONE
ABSENT: COUNCIL MEMBERS: (1) BUI

and was passed on December 14, 2021, by the following vote:

AYES: COUNCIL MEMBERS: (7) BRIETIGAM, O'NEILL, NGUYEN D., BUI,
KLOPFENSTEIN, NGUYEN K., JONES
NOES: COUNCIL MEMBERS: (0) NONE
ABSENT: COUNCIL MEMBERS: (0) NONE

/s/ TERESA POMEROY, CMC
CITY CLERK



EXHIBIT A
MIXED USE OVERLAY ZONE
INTERNATIONAL WEST MIXED USE OVERLAY
SITE AREA MAP 1

ATTACHMENT 7



LEGEND

 SUBJECT PROPERTIES – MIXED USE OVERLAY ZONE – INTERNATIONAL WEST MIXED USE OVERLAY

NOTES


1. LAND USE DESIGNATION – INTERNATIONAL WEST MIXED USE
2. ZONING: C-1, C-2, C-3, M-1, HCSP-TS, HCSP-SDS, HCSP-OP



EXHIBIT B
MIXED USE OVERLAY ZONE
INTERNATIONAL WEST MIXED USE OVERLAY
SITE AREA MAP 2



LEGEND

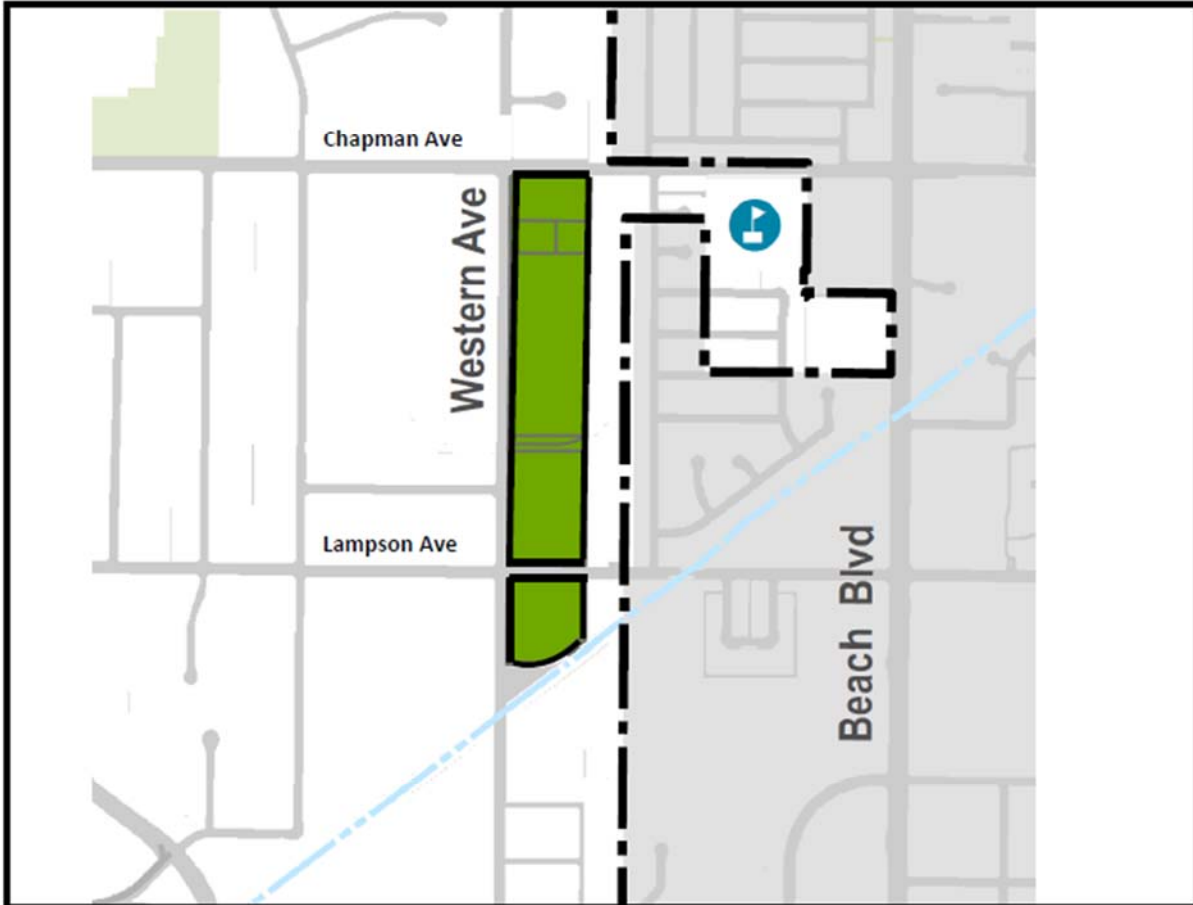
-  SUBJECT PROPERTIES – MIXED USE OVERLAY ZONE - INTERNATIONAL WEST MIXED USE OVERLAY

NOTES


1. LAND USE DESIGNATION – INTERNATIONAL WEST MIXED USE
2. ZONING: HCSP-TS, HCSP-SDS, PUD-103-72, PUD-121-98, PUD-128-12



EXHIBIT C
MIXED USE OVERLAY ZONE
INDUSTRIAL/RESIDENTIAL MIXED USE 1 OVERLAY



LEGEND

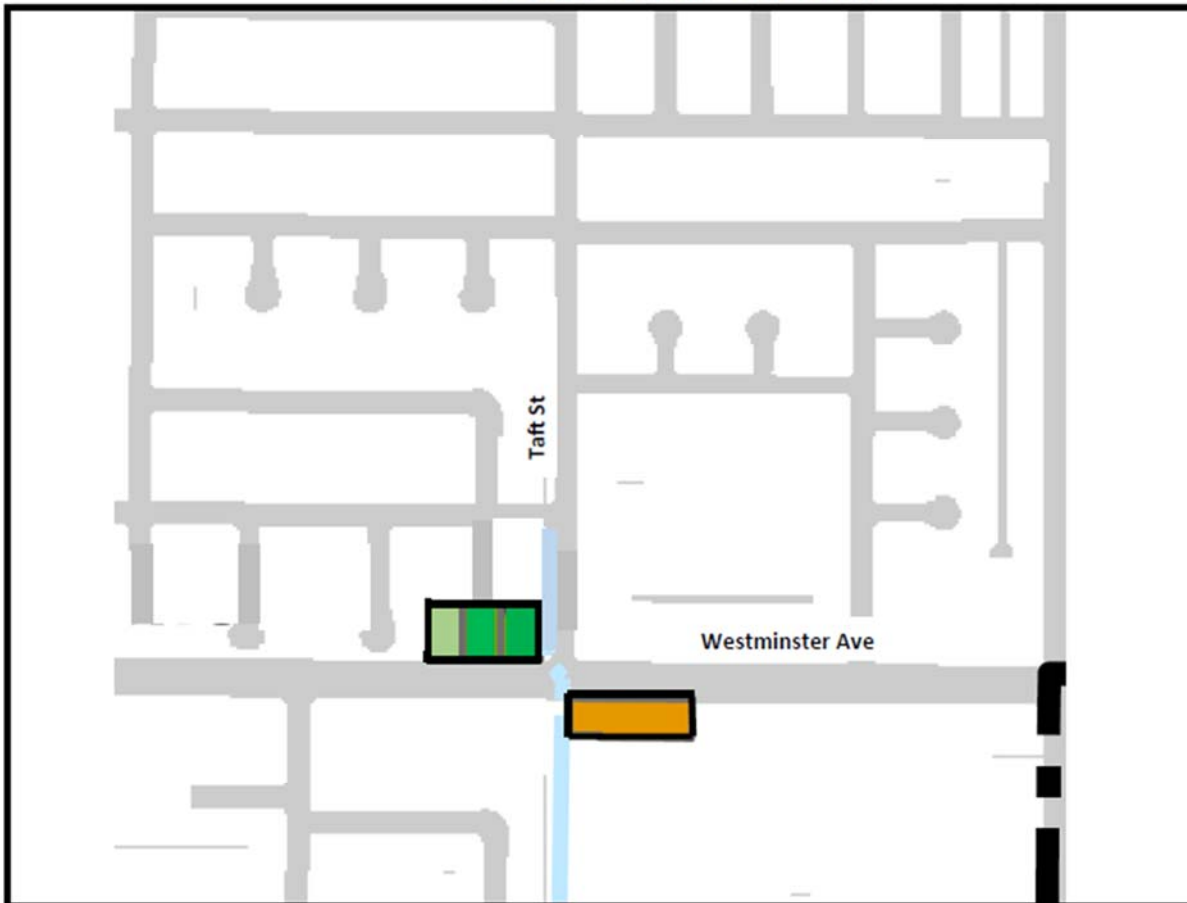
-  SUBJECT PROPERTIES – MIXED USE OVERLAY ZONE - INDUSTRIAL/RESIDENTIAL MIXED USE 1 OVERLAY

NOTES

1. LAND USE DESIGNATION – INDUSTRIAL/RESIDENTIAL MIXED USE 1
2. ZONING: M-P (INDUSTRIAL PARK)



EXHIBIT D
MIXED USE OVERLAY ZONE
RESIDENTIAL/COMMERCIAL MIXED USE 2
RESIDENTIAL OVERLAY



LEGEND

 SUBJECT PROPERTIES – MIXED USE OVERLAY ZONE – RESIDENTIAL/COMMERCIAL MIXED USE 2
RESIDENTIAL OVERLAY

NOTES

1. LAND USE DESIGNATION – RESIDENTIAL/COMMERCIAL MIXED USE 2
2. ZONING: C-1 (NEIGHBORHOOD COMMERCIAL)

EXHIBIT E

MIXED USE OVERLAY SITES

THE FOLLOWING PARCELS WILL BE INCLUDED IN THE INTERNATIONAL WEST MIXED USE OVERLAY:

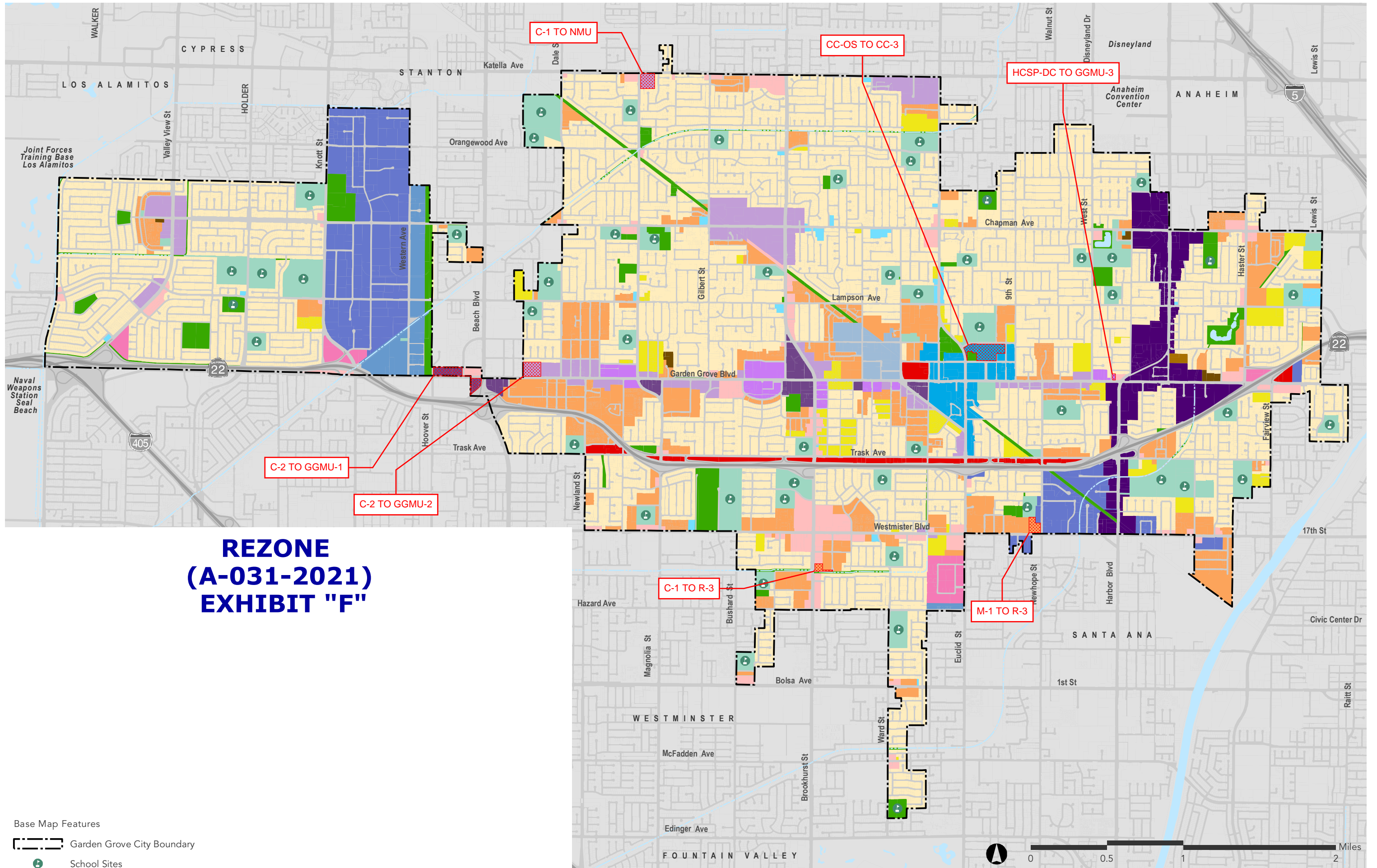
APN # 101-011-06	APN# 231-561-14	APN# 101-080-63	APN# 100-352-20
APN# 101-080-68	APN# 101-080-64	APN# 100-130-67	APN# 100-130-66
APN# 231-491-12	APN# 231-491-13	APN# 231-491-14	APN# 231-491-15
APN# 231-451-40	APN# 231-451-38	APN# 231-451-37	APN# 231-451-36
APN# 100-130-56	APN# 101-611-78	APN# 100-130-71	APN# 100-345-23
APN# 101-681-22	APN# 101-642-02	APN# 101-452-02	APN# 100-335-25
APN# 101-611-02	APN# 100-335-34	APN# 100-335-37	APN# 100-130-72
APN# 100-335-30	APN# 100-130-74	APN# 100-130-73	APN# 101-642-01
APN# 101-080-71	APN# 101-080-73	APN# 101-080-74	APN# 231-441-36
APN# 100-347-15	APN# 231-405-01	APN# 100-122-33	APN# 101-080-76
APN# 100-345-21	APN# 101-311-25	APN# 101-343-65	APN# 231-441-35
APN# 101-011-02	APN# 101-315-33	APN# 231-422-14	APN# 231-422-07
APN# 231-422-12	APN# 231-422-15	APN# 231-423-09	APN# 231-422-09
APN# 231-423-08	APN# 231-422-08	APN# 231-422-22	APN# 231-422-21
APN# 231-422-20	APN# 231-422-19	APN# 231-422-18	APN# 231-422-17
APN# 231-422-16	APN# 231-422-11	APN# 231-423-15	APN# 231-423-16
APN# 231-423-14	APN# 231-423-13	APN# 231-423-12	APN# 231-423-11
APN# 231-423-10	APN# 231-422-10	APN# 231-423-02	APN# 231-423-01
APN# 231-423-03	APN# 231-423-04	APN# 231-423-05	APN# 231-423-06
APN# 231-423-07	APN# 101-311-17	APN# 101-011-03	APN# 101-311-19
APN# 101-311-24	APN# 101-311-21	APN# 101-311-20	

THE FOLLOWING PARCELS WILL BE INCLUDED IN THE INDUSTRIAL/RESIDENTIAL 1 MIXED USE OVERLAY:

APN# 131-671-11	APN# 131-671-09	APN# 131-671-10	APN# 131-671-08
APN# 215-032-01			

THE FOLLOWING PARCELS WILL BE INCLUDED IN THE RESIDENTIAL/COMMERCIAL MIXED 2 RESIDENTIAL OVERLAY:

10721 WESTMINSTER AVE APN# 099-504-47	10711 WESTMINSTER AVE APN# 099-504-45
10691 WESTMINSTER AVE APN# 099-504-44	10742 WESTMINSTER AVE APN# 099-181-12



**REZONE
(A-031-2021)
EXHIBIT "F"**

Base Map Features



-  Garden Grove City Boundary
-  School Sites



EXHIBIT G

ZONE CHANGE

ZONE CHANGE FROM C-1 (NEIGHBORHOOD COMMERCIAL) TO R-3 (MULTIPLE FAMILY RESIDENTIAL):

10081 13TH ST APN# 099-173-20

14202 BROOKHURST ST APN# 099-173-08

14212 BROOKHURST ST APN# 099-173-10,
APN# 099-173-45

ZONE CHANGE FROM C-1 (NEIGHBORHOOD COMMERCIAL) TO NMU (NEIGHBORHOOD MIXED USE):

11092 MAGNOLIA ST APN# 132-06-132

11072 MAGNOLIA ST APN# 132-061-31

11052 MAGNOLIA ST APN# 132-061-28

11012 MAGNOLIA ST APN# 132-061-29

11002 MAGNOLIA ST APN# 132-061-18

ZONE CHANGE FROM C-2 (COMMUNITY COMMERCIAL) TO GGMU-1 (GARDEN GROVE BOULEVARD MIXED USE 1):

7861 GARDEN GROVE BLVD APN# 131-682-62

7761 GARDEN GROVE BLVD APN # 131-682-61

7701 GARDEN GROVE BLVD APN# 131-682-05

7900 GARDEN GROVE BLVD APN # 096-281-09

7942 GARDEN GROVE BLVD APN# 096-281-14

7942 GARDEN GROVE BLVD APN # 096-281-14

7912 GARDEN GROVE BLVD APN# 096-281-11,
APN# 096-281-13

ZONE CHANGE FROM C-2 (COMMUNITY COMMERCIAL) TO GGMU-2 (GARDEN GROVE BOULEVARD MIXED USE 2):

8301 GARDEN GROVE BLVD APN# 131-541-20

ZONE CHANGE FROM M-1 (LIMITED INDUSTRIAL) TO R-3 (MULTIPLE-FAMILY RESIDENTIAL):

11461 WESTMINSTER AVE APN# 100-141-10

13931 NEWHOPE ST APN# 100-141-09

11431 WESTMINSTER AVE APN# 100-141-11

ZONE CHANGE FROM HCSP-DC (HARBOR CORRIDOR SPECIFIC PLAN-DISTRICT COMMERCIAL) TO GGMU-3 (GARDEN GROVE MIXED USE 3):

12141 GARDEN GROVE BLVD APN# 231-404-13

ZONE CHANGE FROM CC-OS (CIVIC CENTER- OPEN SPACE) TO CC-3 (CIVIC CENTER CORE):

11390 AND 11400 STANDARD AVE APN# 090-154-57

11261 ACACIA PKWY APN# 090-154-58

11200 STANDARD AVE APN# 090-143-27

12772 5TH ST APN# 090-154-49

APN# 090-154-56

CEQA Consistency Analysis Memo

General Plan Amendment No. GPA-002-2023 and Amendment No. A-037-2023

1.0 Background

On November 19, 2021, the City of Garden Grove ("City") updated its General Plan by adopting amendments to the Housing Element, Safety Element, and Land Use Element; adopted a new Environmental Justice Element; adopted zoning text and map changes to address the changes to the Housing Element and Land Use Element; and certified the Garden Grove General Plan Update and Focused Zoning Amendments Environmental Impact Report¹ ("GPEIR").

The Housing Element, a State-required chapter of the City's General Plan, identifies programs and policies to meet the housing needs of existing and future residents. This plan is required by State of California ("State") housing law and must be updated every eight years. Furthermore, the Housing Element must be certified by the State Department of Housing and Community Development ("HCD").

The Regional Housing Needs Assessment ("RHNA") is mandated by State housing law as part of the periodic process of updating local Housing Elements. The RHNA quantifies the housing need for all household income levels within each jurisdiction. The City is currently in the 2021-2029 planning period, also known as the sixth cycle RHNA. HCD determines the RHNA for each region of California. The RHNA for the region overseen by the Southern California Association of Governments ("SCAG") is 1.3 million units. SCAG assigned Garden Grove a RHNA allocation of 19,168 housing units for the 2021-2029.

On July 14, 2021, the City submitted its initial Draft Housing Element to HCD for review (during the GPEIR process). City received comments from HCD on September 8, 2021. The version of the Housing Element that was evaluated in the GPEIR was the version that had been submitted to HCD. In response to HCD's comments, City staff revised the Housing Element and conducted public hearings for adoption. The revised Draft 2021-2029 Housing Element adopted at the November 9, 2021 City Council meeting incorporated those responses to HCD comments. The City then resubmitted the Housing Element to HCD on November 12, 2021 to provide HCD with the adopted version for certification, which the City believed fully responded to the initial comments. However, HCD issued findings that the revised Housing Element did not fully comply with housing law.

Between January and July 2023, the City engaged in conversations with HCD staff to identify the further revisions required to achieve compliance, including reallocation of RHNA income categories among housing sites and the addition of one new site adjacent to previously identified sites. Following this review period and modifications made by the City in response, the HCD issued a formal substantial compliance letter on August 14, 2023, stating that HCD had found the City's Housing Element to "substantially comply with State Housing Element Law" and that it "meets statutory requirements".

The version of the Housing Element evaluated in the GPEIR identified a credit of 960 units (pipeline and proposed) and sites providing a capacity for 18,291 units, for a total of 19,251 units (above the RHNA of 19,168). The current version of the Housing Element approved by HCD identifies a capacity for 19,239 units. Notably, the growth projected in the General Plan, and evaluated in the GPEIR, was 20,242 new housing units. Thus, both the original Housing Element that the City adopted and the revised version certified by HCD provide housing capacity within the build-out assumption analyzed in the GPEIR.

¹ State Clearinghouse No. 2021060714

2.0 Housing Element Modifications

Key changes to the Housing Element that have made to achieve certification include:

- Updated analysis of the unhoused population using 2022 point-in-count data.
- Identified Zoning Code amendments completed in 2022, including permit streamlining, density bonus, affordable housing regulatory agreements, transitional and supportive housing and single-room occupancy revisions, objective design standards for multi-family housing units, increased R-3 district maximum density requirements, and provisions for low-barrier navigation centers.
- Revised Affirmative Furthering Fair Housing (AFFH) discussion and analysis, including new national and regional trends, community outreach consistency with AFFH requirements, historic patterns of segregation in Orange County, and government actions to address discrimination.
- Updated AFFH Tax Credit Allocation Committee/Housing and Community Development (TCAC/HCD) Opportunity Access data and maps, including revision education, environmental justice, transportation, and employment and economic opportunity access.
- Expanded discussion under AFFH for housing cost burden and overpayment, overcrowding and substandard housing, homelessness, and displacement risks.
- Updated sites inventory capacity assumptions.
- Added a site at 13621 Harbor Boulevard consisting of a land-locked parking lot.
- Updated local and regional housing trends.
- Added extensive analysis on developing housing sites on industrial properties designated for housing.
- Identified criteria to demonstrate all lower-income sites are available for redevelopment.
- Ensured the housing sites inventory is consistent with AFFH TCAC/HCD Opportunity Access areas.
- Added new policies to address AFFH, address housing sites on industrial properties, 2022 Zoning Code Amendment, address homeless housing needs, and address SB9 (duplex) requirements in single-unit zoned properties.
- Identified special needs housing accomplishments between 2014 and 2021.
- Adjusted the sites inventory: (1) moving some sites from various income categories, (2) added several new housing sites and 71 new housing units to the sites inventory.

3.0 Required Actions and Approvals

The City proposes General Plan Amendment (GPA-002-2023) to include:

- (a) Readoption of the 2021-2029 Housing Element to include revisions directed by HCD to achieve compliance with State law;
- (b) Amend the General Plan land use designation of a property located at 13621 Harbor Boulevard (Assessor's Parcel No. 100-123-01) from Industrial (I) to International West Mixed Use (IW); and
- (c) Adopt a Zoning Map Amendment (A-037-2023) to revise the Zoning Map to implement the change in General Plan land use designation at 13621 Harbor Boulevard, and to clarify the sites intended to be included in the International West Mixed Use Overlay and the Industrial/Residential Mixed Use 1 Overlay, pursuant to Ordinance No. 2925.

The focus of the General Plan and Zoning Map Amendments is to comply with State law and resolve comments received from HCD on the adopted 2021-2029 Housing Element. These two approvals related to the amendments are hereafter referred to as the “proposed GPA and ZMA”.

4.0 CEQA Requirements

The City Council certified the comprehensive programmatic GPEIR on November 9, 2021, for the General Plan Update and Focused Zoning Amendments. The issue for CEQA purposes is whether the proposed GPA and ZMA are subsequent discretionary actions within the scope of the GPEIR and, if so, whether those amendments would result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts. (Public Resources Code Section 21166; CEQA Guidelines Sections 15168, 15162.)

Specifically, the CEQA Guidelines state as follows:

Section 15168(c)(2) - *If the agency finds that pursuant to Section 15162, no subsequent EIR will be required, the agency can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document will be required. Whether a later activity is within the scope of a Program EIR is a factual question that the lead agency determines based on substantial evidence in the record. Factors that an agency may consider in making that determination include, but are not limited to, consistency of the later activity with the type of allowable land use, overall planned density and building intensity, geographic area analyzed for environmental impacts, and covered infrastructure, as described in the Program EIR.*

CEQA does not mandate any specific procedure that a lead agency must use to determine whether later activities are within the scope of the prior Program EIR or whether any subsequent environmental review is required.

5.0 CEQA Analysis

The GPEIR analyzed the potential programmatic environmental impacts of adding 19,251 potential housing units. This was comprised by 960 pipeline units and housing sites that could accommodate 18,291 new units. The current, revised Housing Element, which HCD indicates meets the requirements of State law, calls for the addition of 19,239 units. This constitutes 12 fewer units than previously analyzed in the GPEIR. In other words, the current Housing Element is consistent with the types of allowable land uses and the overall density previously analyzed in the GPEIR. (CEQA Guidelines Section 15168(c)(2).) Thus, the current Housing Element is within the scope of the GPEIR. As the number of anticipated units has decreased from the GPEIR, the current Housing Element’s potential environmental impacts would either be equivalent to, or slightly decreased from, those identified in the GPEIR. A new site was identified at 13621 Harbor Boulevard. This site consists of a land-locked parking lot associated with a use fronting Harbor Boulevard. Adding it to the sites inventory has not increased the overall unit yield since minor adjustments have been made on other sites. The proposed Zoning Map amendments merely implement the proposed updates to the Housing Element. On this basis, the current Housing Element and Zoning Map amendments would not result in any new significant impacts or a substantial increase in the severity of any previously identified significant impacts. No further CEQA analysis is required. (Public Resources Code Section 21166; CEQA Guidelines Section 15168, 15162.)

6.0 Conclusion

The City finds that no further review under CEQA is required pursuant to Public Resources Code Section 21166 and CEQA Guidelines Sections 15168 and 15162 because the proposed General Plan and Zoning Map amendments associated with the revised Housing Element are within the scope of the GPEIR . The revised Housing Element and the associated General Plan and Zoning Map amendments will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts.

Based on Public Resources Code Section 21166 and CEQA Guidelines Sections 15168 and 15162, the City has determined that no further CEQA analysis is required.