

TABLE OF CONTENTS

INTRODUCTION	3
RESEARCH PROBLEM	6
METHODOLOGY	6
STATEWIDE FINDINGS	7
INLAND EMPIRE FINDINGS	10
LIMITATIONS	12
CONCLUSION	13
BIBLIOGRAPHY	15

Introduction

The beginning of the 6th California Regional Housing Needs Assessment (RHNA) cycle has been marked by missed deadlines, last-minute extensions, and increased state pressure on local governments to allow housing development.

Each city in California is allotted a certain number of housing units through RHNA that it must demonstrate capacity to achieve over an eight year cycle. Cities demonstrate that capacity by submitting the 'Housing Element' of their General Plan to the California Department of Housing and Community Development (HCD). For the upcoming RHNA cycle, HCD has rejected the first draft Housing Elements of nearly every city, and many of the revised versions as well. With each rejection, HCD sends and publicizes a feedback letter that details the areas in which a Housing Element falls short, as well as additional steps needed to bring the Housing Element into compliance with state law. These HCD Housing Element feedback letters provide a unique snapshot of the gap between state and local housing priorities. In particular, they show the impact of recent legislation on the Housing Element process, with Housing Element guidelines reformed in the past five years emerging as the leading areas of non-compliance.



Background

The Housing Element, the component of every city's General Plan that analyzes the community's housing needs and outlines how the city will help meet them, is the foundation of California housing policy. Then-Assemblymember Pete Wilson, alongside the Building Industry Association, spearheaded a successful bill requiring all cities to write a Housing Element in 1967.¹ The bill, like many that would follow it over the next 55 years, was intended to prevent city planners from excessively limiting housing supply.² The first Housing Elements were due in 1969.³ Few cities submitted them.⁴

Over the next several years, the legislature and HCD strengthened the Housing Element requirement. The legislature passed the Housing Finance Act of 1975, which permitted HCD to determine if cities' Housing Elements met state guidelines. A year later, HCD issued a new set of Housing Element guidelines, which it then measured cities against using its newly granted authority. The new guidelines included a process for determining each city's housing needs, by which HCD apportioned capacity targets to regional Councils of Government (COGs), and COGs worked with their member cities to apportion those units between them. This was the beginning of the Regional Housing Needs Assessment (RHNA) as we know it today.

The Housing Accountability Act (HAA) of 1982 expanded the state's role in housing policy beyond planning and into permit approvals. Writing for the *UC Davis Journal of Environmental Law and Policy*, Jordan Wright describes the initial law as a set of "relatively unobtrusive instructions directing local governments to approve housing projects that complied with local standards." Despite this initial unobtrusiveness, however, the HAA gave the state an entry point to the local approval process. Housing reformers have since expanded the law to create a large and growing role for the state in local development regulation.

One of the first steps in this process was the Builder's Remedy. In 1990, the legislature added a provision to the HAA requiring cities to approve housing projects that met basic health and safety standards, even if they were not compliant with a city's General Plan, provided the city's Housing Element had not been approved by HCD.8 Nicknamed the Builder's Remedy, this provision made local land use authority contingent on the Housing Element approval process. Despite previous changes made by the legislature and HCD to incentivize Housing Element compliance, local governments had remained slow to submit Housing Elements that met HCD's standards, and often did not even attempt to do so. ⁹ The Builder's Remedy therefore presented a seemingly massive opportunity for developers to circumvent fundamental local housing regulations like zoning. Conflicting language within the law, however, made it largely ineffective, and its strength remains legally doubtful today.¹⁰

Since the Builder's Remedy, reforms have tied local land use authority to the Housing Element process in other ways. Combined with changes to RHNA methodology that have increased cities' housing capacity allocations and raised the standards by which HCD judges Housing Element compliance, these reforms make it so that cities face both a more stringent Housing Element approval process and greater consequences for failing to receive Housing Element approval. In 2017, the legislature passed 15 major housing bills, three of which directly impacted RHNA and Housing Elements. 11 SB 35 significantly limited local government discretion over affordable housing development in jurisdictions that were not meeting their RHNA goals. 12 The law has since been in effect in almost half of all California cities, including Los Angeles, San Francisco, and San Jose, as well as in several counties. AB 1397 imposed stricter requirements on the kinds of sites that cities could point to in their Housing Element as demonstrating their capacity to meet their RHNA allocation, by requiring that the sites have "realistic

and demonstrated potential for redevelopment during the planning period."¹³ AB 72 authorized HCD to refer violations of Housing Element law to the Attorney General, a substantial increase in the level of enforcement for Housing Element compliance. ¹⁴ Several additional reforms in the following years continued to raise the bar for Housing Elements by increasing RHNA allocations and requiring Housing Elements to "affirmatively further fair housing." ¹⁵

Because these reforms were implemented during the middle of the 5th RHNA cycle, which spanned from 2013-2021 in most cities, their impact remained unclear until recently. With the 6th RHNA cycle underway, it is now evident that the new laws require local governments to be far more open to development than they have been. The Southern California Association of Governments' RHNA allocation, for example, more than tripled, from 412,137 units in the 5th cycle to 1,341,827 in the 6th. ¹⁶ Most cities in Southern California and the Bay Area missed the deadline to submit a compliant Housing Element, even after a last-minute extension from the state, citing the scale of the zoning and other regulatory changes that the new laws required them to make.¹⁷ Building on over half a century of state intervention against local housing regulation, Housing Element reforms have had their intended effect: cities are now required to allow development of more and more different types of housing than ever before. This report addresses which of the 6th cycle Housing Element requirements proved most consequential, and how cities ran afoul of them.



BUILDING ON OVER HALF A

CENTURY OF STATE INTERVENTION

AGAINST LOCAL HOUSING REGULATION, HOUSING ELEMENT REFORMS

HAVE HAD THEIR INTENDED

EFFECT: CITIES ARE NOW REQUIRED

TO ALLOW DEVELOPMENT OF MORE

AND MORE DIFFERENT TYPES OF

HOUSING THAN EVER BEFORE.



- 2 Ibid.
- 3 Ibid.
- 4 Ibid.
- 5 Ibid.
- 6 Ibid.
- 7 Jordan Wright. "California's 'Builder's Remedy' for Affordable Housing Projects: A View from the Legislative History." *UC Davis Journal of Environmental Law and Policy* 46, no. 2 (2023): 175-200, https://environs.law.ucdavis.edu/archives/46/2/californias-builders-remedy-affordable-housing-projects-view-legislative-history.
- 8 Christopher S. Elmendorf. A Primer on California's 'Builder's Remedy' for Housing Element Non-Compliance. UCLA Lewis Center for Regional Policy Studies, April 2022. https://www.lewis.ucla.edu/research/a-primer-on-californias-builders-remedy-for-housing-element-noncompliance/.
- 9 Paul G. Lewis. California's Housing Element Law: The Issue of Local Noncompliance. Public Policy Institute of California, 2003. https://www.ppic.org/publication/californias-housing-element-law-the-issue-of-local-noncompliance/.
- 10 Elmendorf, A Primer
- 11 Housing Element Law Changes from 1969 to the Present. Association of Bay Area Governments, n.d., https://abag.ca.gov/sites/default/files/rhna_background.pdf.
- 12 "SB-35 Planning and Zoning: Affordable Housing: Streamlined Approval Process." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB35.

- 13 "AB-1397 Local Planning: Housing Element: Inventory of Land for Residential Development." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1397.
- 14 "AB-72 Housing." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?billid=201720180AB72.
- 15 Housing Element Law Changes from 1969 to the Present. Association of Bay Area Governments, n.d., https://abag.ca.gov/sites/default/files/rhna_background.pdf.
- 16 Regional Housing Needs Assessment. Southern California Association of Governments, n.d., https://scag.ca.gov/rhna#:~:text=In%20 March%20 2020%2C%20SCAG%20adopted.to%20all%20197%20 SCAG%20 iurisdictions.
- 17 "Socal Cities Get Reprieve from Looming Housing Deadline." *The Real Deal*, July 12, 2022. https://therealdeal.com/la/2022/07/12/socalcities-get-reprieve-from-looming-housing-deadline/.

¹ William C. Baer. "California's Fair-Share Housing 1967-2004: The Planning Approach." Journal of Planning History, no. 1 (2008): 48-71. https://journals.sagepub.com/doi/pdf/10.1177/1538513207307429.

Research Problem

The research problem the Rose Institute sought to address was incongruity of state and local housing priorities at the start of the 6th RHNA and Housing Element cycles. Although existing research on the issue of housing policy in California is robust and widespread, there is a significant lack of study on the subject of Housing Element compliance. The only prior research in this area is a recent survey conducted by the Association of Bay Area Governments (ABAG) of 33 HCD feedback letters for jurisdictions in the SCAG (Southern California), SACOG (Sacramento) and SANDAG (San Diego) regions. 18 While the ABAG study serves as an important point of reference, it primarily emphasizes HCD's recommendations to the cities in question, rather than the full scope of its comments on Housing Element compliance. A more complete analysis is needed to provide both state and local officials, as well as the general public, with a clear understanding of how the newly strengthened California Housing Element process is being implemented. The Rose Institute addressed the lack of research regarding the 6th Cycle Housing Element process with the following question: What areas of Housing Element law are cities failing to address with their 6th cycle Housing Elements?

THE ROSE INSTITUTE ADDRESSED

THE LACK OF RESEARCH

REGARDING THE 6TH CYCLE

HOUSING ELEMENT PROCESS WITH

THE FOLLOWING QUESTION:

WHAT AREAS OF HOUSING

ELEMENT LAW ARE CITIES FAILING

TO ADDRESS WITH THEIR

6TH CYCLE HOUSING ELEMENTS?

Methodology

To analyze the issue of state and local conflict over the content of Housing Elements in California, the Rose Institute in 2023 reviewed a statewide selection of HCD feedback letters. The selection included cities with population over 100,000, as measured by the 2021 American Community Survey, that had already submitted a first draft Housing Element. Sixty-two cities from across the state met these specifications. While 75 cities in California have populations greater than 10,000, 13 of those cities were either still in their 5th RHNA cycle or had not submitted a 6th cycle Housing Element for HCD review. The Rose Institute study also included all cities in the Inland Empire with the exception of Adelanto, which had not submitted a 6th Cycle Housing Element draft at the time of the study. Given that 13 cities from the Inland Empire also fit the criteria for the statewide analysis, the Rose Institute study considered 102 cities in total

For both statewide and Inland Empire cities, the study analyzed the feedback letter that HCD provided for the first draft of a city's Housing Element. Most cities have since re-submitted their Housing Elements and received additional feedback letters from HCD. These letters were not considered. The first drafts reflect how cities attempted to comply with HCD guidelines before receiving specific HCD responses, and thus provide a clearer picture of which state requirements cities were least willing or able to meet. Feedback letters were obtained from HCD's Housing Element portal.

The study analyzed two primary components of the feedback letters. First, researchers considered the pieces of Housing Element law that HCD said cities failed to comply with. If a letter listed Gov. Code § 65583, subd. (a)(7), for example, researchers would note "addressing special housing needs" as an issue area for that city's Housing Element. In total, HCD referenced 15 different subdivisions or paragraphs of the Housing Element code in the statewide selection of feedback letters, and 12 in the Inland Empire selection.

The second area of analysis identified the amount of attention allotted by HCD to each code area. If a city's feedback letter referenced § 65583, subd. (a)(3), or land inventory, with eight distinct subsections, the Rose Institute analysis would note that HCD had eight points of concern with the city's Housing Element regarding land inventory. Through these two methods of analysis, the Rose Institute was able to determine HCD's areas of concern for each city's Housing Element, as well as the extent to which each area was emphasized within HCD's recommendations.

Statewide Findings

Cities across the state failed their Housing Element review for strikingly similar reasons. As shown in Table 1, most cities' HCD feedback letters included comments regarding the same area of code. A total of 15 subdivisions or paragraphs were referenced in all feedback letters reviewed, covering a wide range of state housing requirements for local jurisdictions. Nine of the fifteen areas referenced were included in a majority of the cities' feedback letters, with three being included in over 90% of the feedback letters.

The Rose Institute study also analyzed the extent to which each code area referenced by HCD was emphasized in additional subsections of a city's feedback letter. This analysis demonstrated what percentage of the total feedback letter recommendations came from each piece of Housing Element code. As shown in Figure 1, four areas of Housing Element code constituted over 80% of the content of HCD feedback letters. These areas of code require cities to include programs for implementing the goals of the Housing Element, conduct a land inventory, include an assessment of fair housing, and provide an analysis of government constraints.

The remaining 20% of feedback letter content was primarily devoted to an additional eight code areas, which encompass the following requirements: reviewing the previous Housing Element, providing an analysis of population and employment trends, providing an analysis of household characteristics, providing an analysis of non-governmental constraints, providing an analysis of special housing needs, creating a timeline for the development of housing units over a five-year period, enabling public participation, and identifying existing affordable housing units that are at risk of becoming unaffordable over a 10-year period. An additional three code areas requiring cities to analyze energy conservation in housing, to identify land for emergency shelters, and to document the demolition of low and moderate-income units in coastal zones collectively constituted only 0.5% of all HCD comments.

Table 1. Housing Element Requirements Referenced in HCD Feedback Letters in Statewide Selection of Cities

HOUSING ELEMENT REQUIREMENT (GOV. CODE AND BRIEF DESCRIPTION)	% OF FEEDBACK LETTERS THAT REFERENCED THE REQUIREMENT
§ 65583, subd. (a)(3) Land inventory	96.77%
§ 65583, subd. (c)(10)(A) Assessment of fair housing	91.94%
§ 65583, subd. (a)(5) Analysis of government constraints	90.32%
§ 65583, subd. (c) Inclusion of programs for implementing Housing Element goals	74.19%
§ 65583, subd. (a)(2) Analysis of household characteristics	59.68%
§ 65583, subd. (a)(6) Analysis of non-governmental constraints	59.68%
§ 65583, subd. (a)(7) Analysis of special housing needs	59.68%
§ 65583, subd. (c)(9) Public participation	51.61%
§ 65588 (a) and (b) Review of the previous Housing Element	50.00%
§ 65583, subd. (a)(1) Analysis of population and employment trends and project housing needs for different income levels	48.39%
§ 65583, subd. (b)(1 & 2) Creation of a timeline for the development of housing units over a five-year period	48.39%
§ 65583, subd. (a)(9) - § 65583(a)(9)(D) Analysis of loss of low-income housing	40.32%
§ 65588, subd. (d) Coastal zone specific requirement	4.84%
§ 65583, subd. (a)(8) Analysis of energy conservation in housing development	4.84%
§ 65583, subd. (a)(4)(A) Identification of land for emergency shelters	1.61%

Summary of Housing Element Review Letters, Association of Bay Area Governments, May 2022, https://abag.ca.gov/sites/default/files/documents/2022-05/Summary_of-Housing-Element Review Letters.pdf.

Figure 1. Statewide Housing Element Feedback Letter Breakdown

Content of HCD feedback letters in statewide selection of cities¹⁹

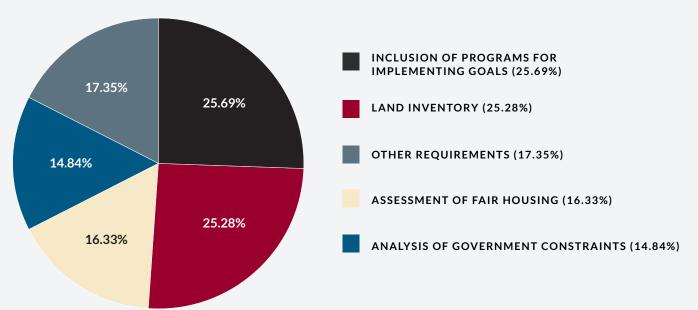
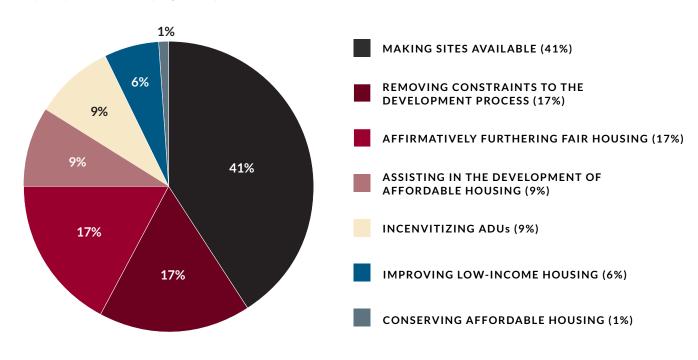




Figure 2. Housing Programs Breakdown

Frequency of reference to program requirements in HCD feedback letters in statewide selection of cities



¹⁹ The "other requirements" area consists of the following requirements: enabling public participation on the Housing Element, at 3.31%; analyzing household characteristics, at 2.84%; reviewing the previous Housing Element, at 2.84%; analyzing special housing needs, at 2.60%; analyzing non-governmental constraints, at 2.48%; creating a timeline for the development of housing units over a five-year period, at 1.65%; analyzing population and employment trends and projecting housing needs for different income levels, at 1.65%; and analyzing existing low-income housing that might become non-low-income over the next 10 years, at 1.30%.

The area of Housing Element law representing the largest portion of feedback letters, § 65583, subd. (c), which requires cities to include programs for implementing the goals of the Housing Element, can be further broken down into the specific programs that HCD urged cities to include. As shown in Figure 2, seven program areas appeared in the statewide selection, including programs to make sites available for housing development, assist in the development of affordable housing, remove constraints to the housing development process, conserve and improve existing affordable housing stock, affirmatively further fair housing, preserve existing low-income housing, and incentivize the production of accessory dwelling units (ADUs). Although programs to make sites available for housing development were the most common requirement from HCD, most feedback letters contained references to multiple program requirements. As shown in Table 2, four of the seven program requirements appeared in the majority of Housing Element feedback letters. Programs to make sites available were the most common, with over 93% of feedback letters citing this requirement as a needed addition.

Table 2. Program specific requirements referenced in HCD feedback letters in statewide selection of cities

PROGRAM TYPE (GOV. CODE AND BRIEF DESCRIPTION)	% OF FEEDBACK LETTERS THAT REFERENCED THE PROGRAM
§ 65583, subd. (c)(1) Making sites available	93.55%
§ 65583, subd. (c)(3) Removing constraints to the development process	82.26%
§ 65583, subd. (c)(5) Affirmatively furthering fair housing	88.71%
§ 65583, subd. (c)(2) Assisting in the development of affordable housing	53.23%
§ 65583, subd. (c)(7) Incentivizing ADUs	48.39%
§ 65583, subd. (c)(6) Improving low-income housing	38.71%
§ 65583, subd. (c)(4) Conserving affordable housing	4.84%

Inland Empire Findings

Like cities across the state, cities in the Inland Empire were similar in the ways they failed to meet Housing Element code requirements. A total of 12 subdivisions or paragraphs appeared in all feedback letters reviewed, covering a wide range of state requirements on local jurisdictions. As shown in Table 1, most cities' HCD feedback letters included comments regarding the same areas, with only two subdivisions or paragraphs falling beneath a 50% rate of inclusion. Additionally, requirements to include an assessment of fair housing, conduct a land inventory, provide an analysis of government constraints, and enable public participation were present in the vast majority of feedback letters in the Inland Empire, as they appeared in more than 90% of feedback letters.

While most requirements for Inland Empire cities were widely shared between cities, only a few of those requirements constituted the bulk of feedback letter content. As shown in Figure 3, four areas of Housing Element code made up over 80% of the feedback from HCD. These areas of code require cities to include programs for implementing the goals of the Housing Element, conduct a land inventory, include an assessment of fair housing, and provide an analysis of government constraints. The remaining 20% of feedback letters were primarily devoted to an additional eight code areas, which encompass the following requirements: reviewing the previous Housing Element, providing an analysis of population and employment trends, providing an analysis of household characteristics, providing an analysis of non-governmental constraints, providing an analysis of special housing needs, creating a timeline for the development of housing units over a five-year period, enabling public participation, and identifying existing low-income housing that is at risk of becoming non-low-income over a 10-year period.

As in the statewide selection of cities, the area of Housing Element code which represented the largest portion of feedback letters was 65583, subd. (c), which requires cities to include programs for implementing the goals of their Housing Elements. Further analysis shows that there are seven specific areas in which HCD urged Inland Empire cities to include programs.

Table 3. Housing Element requirements referenced in HCD feedback letters in Inland Empire cities

HOUSING ELEMENT REQUIREMENT (GOV. CODE AND BRIEF DESCRIPTION)	% OF FEEDBACK LETTERS THAT REFERENCED THE REQUIREMENT
§ 65583, subd. (c)(10)(A) Assessment of fair housing	98.11%
§ 65583, subd. (a)(3) Land inventory	98.11%
§ 65583, subd. (a)(5) Analysis of government constraints	94.34%
§ 65583, subd. (c)(9) Public participation	90.57%
§ 65583, subd. (c) Inclusion of programs for implementing Housing Element goals	73.58%
§ 65583, subd. (a)(6) Analysis of non-governmental constraints	71.70%
§ 65583, subd. (a)(2) Analysis of household characteristics	69.81%
§ 65588 (a) and (b) Review of the previous Housing Element	67.92%
§ 65583, subd. (a)(7) Analysis of special housing needs	67.92%
§ 65583, subd. (b)(1 & 2) Creation of a timeline for the development of housing units over a five-year period	52.83%
§ 65583, subd. (a)(1) Analysis of population and employment trends and project housing needs for different income levels	45.28%
§ 65583, subd. (a)(9) - § 65583(a)(9)(D) Analysis of loss of low-income housing	41.51%

As shown in Figure 4, programs to make sites available represented the largest share of program related comments, with over 30% of total program-related comments devoted to this category. Programs to assist in the development of affordable housing, remove constraints to the housing development process, and affirmatively further fair housing also represented a considerable share of program related comments. As shown in Table 4, these four program areas were also the most widely cited, with the vast majority of Inland Empire cities' feedback letters including a reference to their source in Housing Element code.

Figure 3. Inland Empire Housing Element Feedback Letter Breakdown

Frequency of reference to Housing Element code areas in HCD feedback letters for Inland Empire cities 20

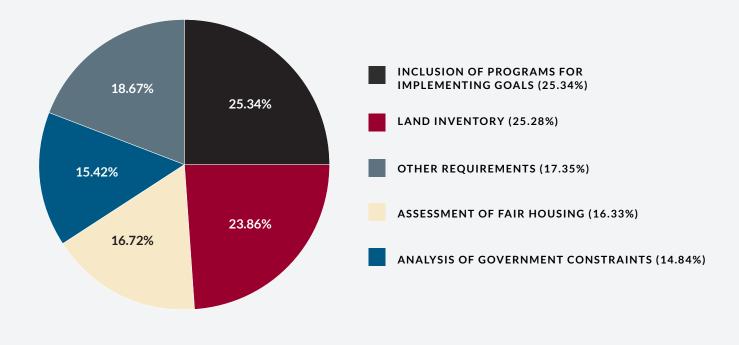
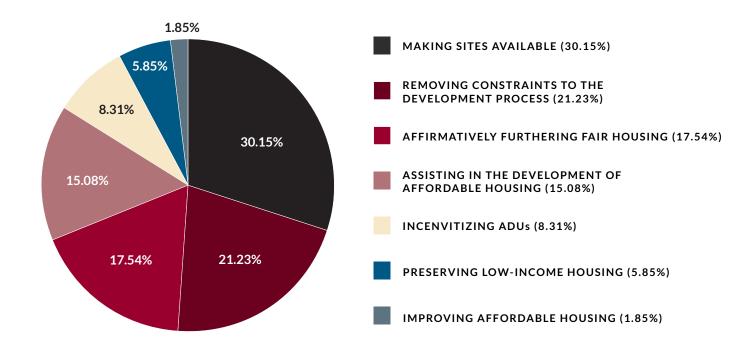


Figure 4. Inland Empire Housing Programs Breakdown

Frequency of reference to program requirements in HCD feedback letters in Inland Empire cities



²⁰ The other requirements area is composed of requirements for enabling public participation on the Housing Element, at 3.31%, analyzing household characteristics, at 2.84%, reviewing the previous Housing Element, at 2.84%, analyzing special housing needs, at 2.60%, analyzing non-governmental constraints, at 2.48%, creating a timeline for the development of housing units over a five-year period, at 1.65%, analyzing population and employment trends and projecting housing needs for different income levels, at 1.65%, and analyzing existing low-income housing that might become non-low-income over the next 10 years, at 1.30%.

Table 4. Program specific requirements referenced in HCD feedback letters in Inland Empire cities

PROGRAM TYPE (GOV. CODE AND BRIEF DESCRIPTION)	PERCENT OF FEEDBACK LETTERS THAT REFERENCED THE PROGRAM
§ 65583, subd. (c)(1) Making sites available	96.23%
§ 65583, subd. (c)(3) Removing constraints to the development process	96.23%
§ 65583, subd. (c)(5) Affirmatively furthering fair housing	94.34%
§ 65583, subd. (c)(2) Assisting in the development of affordable housing	79.25%
§ 65583, subd. (c)(7) Incentivizing ADUs	47.17%
§ 65583, subd. (c)(6) Improving low-income housing	35.85%
§ 65583, subd. (c)(4) Conserving affordable housing	11.32%

Limitations

This study of HCD Housing Element feedback letters has several limitations that should be considered alongside its findings. First, aside from the Inland Empire, the analysis focuses only on cities with populations of more than 100,000. This selection reflects larger cities' outsized contribution to the state's housing deficit, but exludes smailler cities that may receive different patterns of responses in Housing Element feedback letters. Smaller communities, and those in rural areas, may have unique areas of mis-alignment with state housing policies.

An additional limitation of the study is its lack of city-level analysis regarding Housing Element code requirements and HCD recommendations. Within each reference to a Housing Element code, there exists a level of inter-city variation. For example, HCD comments related to § 65583, subd.(c)(9), which requires public input on Housing Elements, varied widely in their substance and scope. For example, the city of Chino had previously held public workshops on its Housing Element, and received limited comments from HCD that focused only on the need to reach out to specific communities for input. By contrast, the city of Santa Ana failed to make its Housing Element available to the public before submitting it to HCD, and so was asked to make substantial efforts to increase public participation in its future Housing Element drafts. City level variation in feedback letter content exists at such a granular level that it could not be incorporated in this study, but should nevertheless be considered in conjunction with the study's findings.



Conclusion

Despite considerable differences in size, demographics, and housing needs, cities across California were remarkably similar in their sources of Housing Element noncompliance. In its feedback letters to cities, HCD highlighted 15 Housing Element code areas where cities were out of compliance. Among these areas, requirements for cities to include programs for implementing the goals of the Housing Element, conduct a land inventory, include an assessment of fair housing, and provide an analysis of government constraints stood out. These four code areas constituted the bulk of HCD's comments, and appeared in the vast majority of HCD feedback letters. The most frequently referenced area of code was related to the need for cities to include programs for carrying out the goals of the Housing Element. Requirements for programs to make sites available, remove constraints to the development process, affirmatively further fair housing, and assist in the development of affordable housing appeared in the majority of feedback letters. Through the emphasis it placed on programmatic requirements, HCD stressed the importance of the city taking an active role in spurring local housing development.

Several of the most frequently cited areas of Housing Element law directly reflect the implementation of recent legislation. The most prominent example of this connection is the requirement that cities conduct a land inventory to demonstrate capacity to accommodate their RHNA allocation. AB 1397 of 2017 added several new requirements to the land inventory. It raised the burden of proof on a jurisdiction's claim that a given site could be used to meet RHNA goals, including by establishing a "presumption of impediment" to development on any

non-vacant sites indicated for that purpose. In this study, land inventory was the most commonly referenced requirement across HCD Housing Element letters, and the requirement that HCD dedicated the most attention to within the letters. Cities were clearly unable or unwilling to meet the newly stringent requirements on the kinds of land that they claim can accommodate the housing they are required to permit.

Similarly, the new Affirmatively Furthering Fair Housing requirement proved a major stumbling block for cities. AB 686 of 2018 required that cities design their Housing Elements in such a way to "overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity" based on characteristics such as race, sex, or sexual orientation. A city must show its efforts to affirmatively further fair housing in several major areas of the Housing Element review process, including land inventory and program development, as well as in a separate fair housing section of the Housing Element. This was the second most frequently referenced area of Housing Element inadequacy across cities, with a 92% inclusion rate in HCD feedback letters, and constituted the third most discussed requirement in the aggregated HCD letters. That HCD required so many cities to revise their Housing Element to meet the requirements of AB 1397 and AB 686 indicates that these laws are being successfully implemented. Through the Housing Element review process, HCD is translating legislative intent to allow more housing development into actual changes in the local general plans that determine housing supply.

Comparing this study's findings across the state with its in-depth analysis of the Inland Empire shows how little Housing Element compliance issues varied between regions. The Inland Empire and the statewide sample of cities mirrored each other to a surprising degree. These similarities may indicate a degree of homogeneity between large and small cities across California in relation to meeting Housing Element requirements. The only notable source of deviation related to Housing Element law 65583, subd. (c)(9), which deals with enabling public participation in the Housing Element process. More than 90% of feedback letters to Inland Empire cities included a reference to this requirement, compared to only 51% of letters to the cities in the study across the state. This difference may be due to a greater ability of larger, urban cities to conduct outreach to community members and solicit input on the Housing Element process.

By identifying the requirements most commonly cited and repeated in HCD's feedback letters, this study provides a window into how state housing priorities are being translated to local governments in the 6th cycle. These findings demonstrate the commonalities within local failure to meet statewide housing requirements, as well as areas of Housing Element law that were of particular importance to the state. Further research, both on the regional variation in Housing Element feedback letters, as well as Housing Element content and compliance statewide, could build on this study and provide more insight into the Housing Element process.

The effect of recent legislation on the Housing Element process is only beginning to emerge, and could also serve an important subject of research in coming years. While this study reveals that HCD has completed the first step in implementing these laws, the state policies' effectiveness will ultimately depend on how the new Housing Elements play out on the local level. Against the backdrop of California's growing housing crisis, the interplay of state and local priorities visible in the Housing Element process will continue to define the state's housing policy for years to come.



THROUGH THE EMPHASIS IT

PLACED ON PROGRAMMATIC

REQUIREMENTS, HCD STRESSED

THE IMPORTANCE OF THE CITY

TAKING AN ACTIVE ROLE IN

SPURRING LOCAL HOUSING

DEVELOPMENT.



References

"AB-72 Housing." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=201720180AB72.

"AB-1397 Local Planning: Housing Element: Inventory of Land for Residential Development." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1397.

Baer, William C. "California's Fair-Share Housing 1967-2004: The Planning Approach." *Journal of Planning History*, no. 1 (2008): 48-71, https://journals.sagepub.com/doi/pdf/10.1177/1538513207307429.

"Building Blocks: A Comprehensive Housing-Element Guide to Assist Jurisdictions in Creating Comprehensive Housing Elements." California Department of Housing and Community Development, n.d., accessed April 14, 2024, https://www.hcd.ca.gov/plan-ning-and-community-development/housing-elements/building-blocks.

California Government Code Article 10.6. Housing Elements [Sections 65580 - 65589.11]. California Legislative Information, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65583.

Elmendorf, Christopher S. A Primer on California's 'Builder's Remedy' for Housing Element Noncompliance. UCLA Lewis Center for Regional Policy Studies, March 27, 2023, https://www.lewis.ucla.edu/research/a-primer-on-californias-builders-remedy-for-housing-element-noncompliance/.

Housing Element Law Changes from 1969 to the Present. Association of Bay Area Governments, n.d., accessed April 14, 2024, https://abag.ca.gov/sites/default/files/rhna_background.pdf.

Lewis, Paul G. *California's Housing Element Law: The Issue of Local Noncompliance*. Public Policy Institute of California, 2003, https://www.ppic.org/publication/californias-housing-element-law-the-issue-of-local-noncompliance/.

Regional Housing Needs Assessment. Southern California Association of Governments, n.d., accessed April 14, 2024, https://scag.ca.gov/rhna#:~:text=In%20 March%202020%2C%20SCAG%20adopted,to%20all%20197%20 SCAG%20jurisdictions.

"SB-35 Planning and Zoning: Affordable Housing: Streamlined Approval Process." California Legislative Information, 2017, https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=201720180SB35.

"Socal Cities Get Reprieve from Looming Housing Deadline." The Real Deal, July 12, 2022, https://therealdeal.com/la/2022/07/12/socal-cities-get-reprieve-from-looming-housing-deadline/.

Summary of Housing Element Review Letters, Association of Bay Area Governments, May 2022, https://abag.ca.gov/sites/default/files/documents/2022-05/Summary of Housing Element Review Letters.pdf.

Wright, Jordan. "California's 'Builder's Remedy' for Affordable Housing Projects: A View from the Legislative History." *UC Davis Journal of Environmental Law and Policy* 46, no. 2 (2023): 175-200, https://environs.law.ucdavis.edu/archives/46/2/californias-builders-remedy-affordable-housing-projects-view-legislative-history.

ABOUT THE ROSE INSTITUTE

The Rose Institute of State and Local Government is a leading source of objective, non-partisan information on California state and local governments. Founded at Claremont McKenna College in 1973, the Institute's mission is to enhance the education of students at CMC, produce high quality research, and promote public understanding on issues of state and local government, politics, and policy, with an emphasis on California.

ACKNOWLEDGEMENTS

Jemma Nazarali '25, Jada Cook '26, Katherine Jackson '25, Grace Hong '24, Nathan Tran POM '23, and Marshall Bessey '23

