

EXIBHIT B

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1	<u>HCD Revisions</u>	Pages in Revised Element Where Addressed
2	The element includes some information that describes the prior element’s programs but in several cases (Programs H-1a, H-1b, H-2a, H-2g, H-2k, H-2l, and H-3g), the reported progress in implementation does not appear to be related to the objectives of the prior program. The element should describe the actual results of the prior element’s programs relative to the objectives of past programs, compare those results to the objectives. Based on an evaluation of any differences between what was planned versus achieved, provide a description of how the objectives and programs of the updated element incorporate changes resulting from the evaluation.	Pages: 38 - 40 with additional modifications to Table 7 (Page: 48 - 56) to modify proposed 6th cycle programs to more effectively complete objectives in this cycle.
3	In addition, as part of the review of programs in the past cycle, the element must provide an evaluation 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).	Pages: 39 - 40
4	Fair Housing Enforcement and Outreach: The element must include analysis that describes the County’s compliance with existing fair housing laws and	Pages: 137-142
5	Assessment of Fair Housing: The element includes data and analysis on each of the fair housing components at the local level. However, additional information is required to fully address this finding. Specifically, much of the regional data and analysis provided in each of the fair housing areas is limited to comparing the County to that of the North Bay region. The element should add additional data and analysis on the broader Bay Area geographical context and add or modify programs as appropriate depending on the outcomes of this analysis.	Pages: 136-221
6	Racially Concentrated Areas of Affluence (RCAs): The element indicates that there are no areas within the County designated as RCAs. However, this comment does not accurately reflect the analysis that demonstrates parts of the County are characterized as higher income and having a significant White population. As a result, the element should include analysis of these factors for patterns within the County and relative to the broader Bay Area region. The analysis should utilize data provided by HCD. For more information, please see HCD’s guidance at https://www.hcd.ca.gov/community-development/affh/index.shtml#guidance .	Pages: 184 - 186
7	Disproportionate Housing Needs and Displacement Risk: The element includes some data and analysis on overcrowded households and cost burdened households, but it must also include data and analysis on patterns related to housing conditions and homelessness. In addition, given that several areas in the County are particularly susceptible to fire hazards, the element must also analyze disaster-driven displacement and its disproportionate impacts on lower-income households and special needs populations, including displacement by looking at trends, patterns, local data and knowledge and other relevant factors.	Pages: 213 - 214, 125 - 127
8	Other Relevant Factors: The element must consider other relevant factors that have contributed to certain fair housing conditions. The element identifies various factors, but generally does not provide information that addresses this requirement. This analysis must consider information that is unique to the County or region, such as governmental and nongovernmental actions, historical land use and zoning practices (e.g., past redlining/greenlining, restrictive covenants, etc.), disparities in investment to specific communities, or other information that may have impeded housing choices and mobility. This analysis is particularly significant considering that the County is characterized by high housing costs, increasing displacement, and a lack of housing choices.	Pages: 311 - 329
9	Local Data and Knowledge: The element does not address this requirement. The element includes some general information on page 273 but should supplement this analysis with local data and knowledge that captures emerging trends and issues, including utilizing knowledge from local and regional advocates, public comments, service providers, public officials and other planning documents. As an example, the element could draw from other sources of information including but not limited to, the Analysis of Impediments (AI), capital improvement plans, other planning documents, and knowledge from County staff.	Pages: 311 - 329
10	Contributing Factors: The element identifies several contributing factors (pp. 193-198) but should also prioritize these factors (e.g., high, medium, low).	Pages: 214 - 219

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11	Sites Inventory: While the element includes analysis relative to sites and affirmatively furthering fair housing (AFFH) (pp. 259-272) for some of the fair housing areas including by race, poverty, and access to opportunity, the element must also provide analysis on Racially Concentrated Areas of Affluence (RCAAs) and demonstrate whether sites identified to meet the regional housing needs allocation (RHNA) are distributed throughout the community in a manner that affirmatively furthers fair housing. 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). The element should also 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 mitigate this (e.g., anti-displacement strategies).	Pages: 311 - 314
12	Housing Condition: The element must estimate the number of units in need of rehabilitation and replacement. The element notes that there were 17 units with verified code violations between 2015-2022 (p. 88), but otherwise does not quantify the number of units countywide that require some form of rehabilitation or replacement. The analysis should include estimates from a recent windshield survey or sampling, estimates from the code enforcement agency, or information from knowledgeable builders/developers, including nonprofit housing developers or organizations. For additional information, see the Building Blocks at https://www.hcd.ca.gov/housing-stock-characteristics .	Page: 99
13	Overpayment: While the element includes some quantification of overpaying households (p. 96), it must specifically quantify and analyze lower-income households paying more than 30 percent of their income on housing by total number and tenure (i.e., renter and owner).	Pages: 107 - 108
14	Homelessness: The element must include a current local estimate of the number of homeless individuals and families in need of emergency shelter. The element notes on page 113 that most of the homeless population is concentrated in the City of Napa and indicates that the count for the number of homeless in the unincorporated portion of the County is unavailable. Nevertheless, the element must still contain an estimate of homeless individuals in the unincorporated areas of the County. The element could utilize local data and knowledge from homeless providers to obtain this information.	Pages: 125 - 127
15	Farmworkers: While the element notes the number of permanent and seasonal farmworkers, given the significant need in the County, it should specifically evaluate trends, characteristics, disproportionate needs, effectiveness of resources and strategies, magnitude of the housing need, including disproportionate housing needs. The analysis may utilize past farmworker housing studies and should incorporate results from activities funded by Regional Early Action Planning Grants (REAP). Local officials, special needs service providers or County social and health service providers may also be able to assist with information to complete the analysis. Based on the outcomes of the analysis, the element should add or modify programs.	Pages: 133 - 134
16	Parcel Listing: While the element lists sites by parcel number, parcel sizes, zoning, and general plan designation, it must also describe existing uses for its nonvacant sites. The element presents confounding information on pages 249-257 that identifies some sites are nonvacant. However, the element cannot identify a vacant portion of a site and consider the entire site vacant and should provide additional clarity or information on existing uses for parcels that	Page: 310

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17	<p>Large Sites: Sites larger than 10 acres in size are deemed inadequate to accommodate housing for lower-income housing unless it is demonstrated that sites of equivalent size and affordability were successfully developed during the prior planning period or unless the housing element describes other evidence to HCD that the site is adequate to accommodate lower income housing. The element indicates that there are five sites identified in the sites inventory as having parcels over 10 acres in size, notes that only a portion of those larger sites are being proposed for inclusion in the sites inventory and provides no further analysis on large sites identified in the sites inventory (p. 239). For your information, smaller subsets of large sites cannot be included in the inventory without adequate analysis. The element must include analysis for the suitability of large sites based on the entire acreage of these sites. Based on the outcomes of a complete analysis, the element should add or modify programs as necessary.</p>	<p>Page: 208, 299-309. According to Government Code 65863.2(c)(2)(B), "A site larger than 10 acres shall not be deemed adequate to accommodate lower income housing need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as projected for the site For purposes of this subparagraph, "site" means that portion of a parcel or parcels designated to accommodate lower income housing needs pursuant to this subdivision ." Language was added to the Housing Element to clarify that based on the definition of a "site" presented in Government Code 65863.2(c)(2)(B), sites in the inventory are not large sites and do not exceed 10 acres in size. Additional analysis was provided related to the existing uses within nonvacant sites and the feasibility of developing only a portion of the site, and Program H-4g was added to facilitate subdividing these sites from the larger parcels.</p>
18	<p>State-Owned Sites: The element identifies Site #5 (Imola Avenue) as state-owned. The housing element must include a description of the County's plans, including any known barriers to development in the planning period, anticipated schedule for development including plans to sell or lease the property during the planning period and how the jurisdiction will comply with the requirements of the Surplus Land Act Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.</p>	<p>Pages: 287 - 294. Because this site is owned by the State, the State, not the County, must comply with all statutory requirements affecting surplus land and will establish the development schedule. The County will continue to contact and work closely with DGS. The site is listed on the DEGS Real Estate Excess State Property map, which HCD's Housing Element Site Inventory Guidebook (pages 6-7) states demonstrates the likelihood of housing being developed on the site.</p>
19	<p>Suitability of Nonvacant Sites: While the element identifies nonvacant sites to accommodate the regional housing need for lower-income households, it provides no description of how the potential for redevelopment. For your information, the element must analyze the entirety of a nonvacant site to identify the extent to which existing uses may impede additional residential development; this analysis cannot be limited solely to the vacant portions of a nonvacant site. The element must describe the methodology used to determine the additional development potential within the planning period. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, and regulatory or other incentives or standards to encourage additional residential development on these sites. (Gov. Code, § 65583.2, subd. (g).) For sites with residential uses, the inventory could also describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For nonresidential sites, the inventory could also describe whether the use is operating, marginal or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment. For additional information and sample analysis, see the Building Blocks at: https://www.hcd.ca.gov/analysis-of-sites-and-zoning.</p>	<p>Pages: 287 - 294</p>

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20	<p>Additionally, the housing element appears to rely upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households. Therefore, 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).) 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 regional housing need allocation. HCD is not aware that the County has made the appropriate finding. Any future adoption of the housing element must include the appropriate finding as part of the adoption</p>	<p>Pages 286 - 294. The County is not relying on non-vacant sites to accommodate more than 50 percents of the RHNA for lower income households, and therefore does not need to make this finding.</p>
21	<p>Availability of Infrastructure: The element must demonstrate sufficient existing or planned water, sewer, and other dry utilities supply capacity, including the availability and access to distribution facilities to accommodate the County’s regional housing need for the planning period. While the element provides a broad discussion of water and sewer infrastructure on pp. 248-257, it presents confounding information for many of the sites identified in the inventory. As an example, some sites include a discussion that notes water and sewer infrastructure has been damaged due to wildfires, or that future efforts must be made to secure adequate water and sewer capacity but does not identify how or when adequate water and sewer capacity will be established. The element should be revised to clarify whether such conditions impact the ability of the County to provide sufficient water and sewer capacity to accommodate the RHNA or identify a program(s) to increase capacity, as necessary. For additional information, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#environmental.</p>	<p>Pages: 270 - 274</p>
22	<p>Environmental Constraints: The element provides some general information on constraints such as flood risk and fire hazard severity but presents confounding information on how such hazards were analyzed for their ability to impact housing development in the current planning period. This analysis is particularly significant given that the element indicated that water and sewer infrastructure and several mobilehomes were destroyed by wildfires in the prior planning period and many public comments identified fire hazards as a constraint on sites identified in the inventory. In addition, the element should also include analysis of any other known conditions or impacts on identified sites (e.g., topological features, easements, conditions, and compatibility). This is especially relevant to the Spanish Flat, given that this area has been identified in prior housing element cycles.</p>	<p>Pages: 274 - 279</p>
23	<p>Electronic Sites Inventory: Pursuant to Government Code section 65583.3, subdivision (b), the County 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/housing-elements-hcd for a copy of the form and instructions. The County can reach out to HCD at sitesinventory@hcd.ca.gov. for technical assistance. Please note, upon adoption of the housing element, the County must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.</p>	<p>This will be submitted with the Housing Element.</p>
24	<p>Emergency Shelters: The element notes that emergency shelters are permitted by-right in the Industrial district (pp. 205 and 207) but must also clarify that the by-right approval process is nondiscretionary. Further, the element must list and demonstrate permit processing, development, and management standards are objective and encourage and facilitate the development of, or conversion to, emergency shelters. Lastly, the element must include analysis on proximity to services and transportation, in addition to describing whether areas within the district that may be unfit for human habitation. The element may need to add or modify programs based on the outcomes of a complete analysis.</p>	<p>Page: 229</p>
25	<p>Supportive and Transitional Housing: The element states that the County permits supportive and transitional housing in residential zones and is not subject to any special regulations that are not applicable to other similar residential structures (pg. 207). However, the element should clarify whether this includes all zones allowing residential uses, including mixed use zones and add or modify programs if necessary.</p>	<p>Page: 230</p>

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26	<p>Land Use Controls: The element includes general information (pp. 209-220) relative to land use controls but did not analyze these standards as potential constraints. Specifically, 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, mobilehomes, transitional housing). This is particularly significant for the Affordable Housing Combination District (AHCD), given that this zone has not been particularly effective or utilized for housing development beyond the requirements of the County's inclusionary program. 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 cost and supply of housing. The analysis should also describe past or current efforts to remove identified governmental constraints. As an example, the element identifies a maximum height of 35 feet for all of its zoning districts, a potential constraint on multifamily housing development. As another example, the element notes that the R-C and R-M zones allow for multifamily but have unknown lot coverages or lot coverages of less than 50%, a potential constraint on housing. Lastly, the element did not analyze its parking requirements as potential constraints. Depending on the outcomes of a complete analysis, the element may need to modify or include programs to address or remove the identified constraints.</p>	Page: 233, 236 - 237
27	<p>Fees and Exactions: While the element notes the County does not charge impact fees, it also mentions fees for a typical single-family development of approximately \$45,000 per unit and as a result, should list and evaluate the various fees that result in these cumulative fees for impacts on housing costs and feasibility. The element should conduct this same analysis for multifamily development.</p>	Page: 248 - 249
28	<p>Local Processing and Permit Procedures: The element describes permit and processing procedures on pages 216 to 219 but additional information is required to address this finding. Specifically, the element notes that housing projects in the AHCD are subject to a conditional use permit (CUP) if they have higher densities. The element should list and analyze findings and procedures for the AHCD, including CUP approval findings for larger projects in the AHCD as potential constraints on housing supply and affordability. In addition, the element should also describe and analyze processing and approval procedures for the Planned Development (PD) district. Depending on the outcomes of that analysis, the element may need to add or modify programs as necessary.</p>	Page: 242 - 243
29	<p>Group Homes: The element currently notes that residential care facilities serving seven or more persons are subject to a conditional use permit in the R-M zone. The element should also analyze whether these uses are allowed in other residential zones and add or modify programs to ensure zoning permits group homes objectively with approval certainty in all residential zones. Additionally, the element notes on pg. 222 that large group homes are defined as housing 13 or more persons and are subject to additional spacing requirements. Consequently, the element should evaluate the threshold and spacing requirements as potential constraints on housing for persons with disabilities.</p>	Pages: 230 - 232
30	<p>Definition of Family: The element indicates that family is defined as "one or more persons living together under a single management conducted by one or more of the persons in the group" (pg. 223). The element should evaluate this definition as a potential constraint on housing for persons with disabilities. As an example, the phrase "...single management conducted by one or more of the persons in the group" could act as a constraint on housing for persons with disabilities if the group home is managed by a nonprofit entity.</p>	Page: 250
31	<p>Reasonable Accommodation: While the element included some information on the County's reasonable accommodation procedures (pp. 223-224), it must also analyze the approval findings in Section 18.134.030 of the Napa County Code for potential constraints on housing for persons with disabilities. As an example, the analysis should identify who approves requests, identify any fees charged by the County in processing requests, and indicate whether there is an appeals process.</p>	Page: 251
32	<p>Local Ordinances: The element includes some analysis on locally adopted ordinances including its inclusionary and growth control ordinances, but additional information is required to address this finding. Specifically, the element should discuss options or any other special requirements to its inclusionary housing program. In addition, the element should fully describe the process and implementation of the Growth Management System (GMS) and evaluate the GMS for any impacts on cost, timing, and project feasibility, especially given that the GMS does not allow for the indefinite carry-over of unused market rate housing allocations. The element should add or modify programs as appropriate based on the outcomes of this analysis.</p>	Pages: 253 - 254
33	<p>To have a beneficial impact in the planning period and achieve the goals and objectives of the housing element, programs must have specific commitment and discrete timing (e.g., at least annually). Programs to be revised with discrete timing include H-2a (Affordable Housing Combination District), H-2k (Water and Sewer Infrastructure), H-4f (Mobilehome Parks). With respect to specific commitment, Program H-3g (Farmworker Housing) should commit to how the County will work to support new farmworker housing such as annual contact with nonprofit developers to identify development opportunities, annually pursuing funding and include a numeric target for the planning period.</p>	Various edits referenced programs in Table 7 (Pages: 48 - 56)

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34	State-Owned Sites: The housing element must include a program with specific commitments and a schedule of actions for Site #5 (Imola Avenue) for the County's plans to schedule to sell or lease the property during the planning period 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.	Page: 281, 293. As noted previously, because the property is not owned by the County, but by the State, the State will determine the schedule for sale and comply with all requirements for surplus property.
35	Shortfall of Sites: The element describes a shortfall of sites and indicates rezoning will occur to accommodate the RHNA. While the element includes Program H-4g, it must specifically commit to acreage, allowable densities and anticipated units. In addition, if necessary, to accommodate the housing needs of lower-income households, the program should specifically commit to meeting all by right requirements pursuant to Government Code section 65583.2, subdivisions (h)	Page: 283, Program H-4d of Table 7 (Page: 52)
36	Annexation: The element indicates several sites and projects are within the County's Rural Urban Limit (RUL)/Sphere of Influence (SOI) and are undergoing an annexation process. If the County must rely on annexation to accommodate its regional housing need, the element must add a program to commit to completing the annexation and to rezone other sites if annexation is not completed by a date specified in the program.	Page: 293, 307 - 309, Program H-4k of Table 7 (Page: 52).
37	As noted in Findings B4, the element requires a complete analysis of potential governmental and nongovernmental constraints. Depending upon the results of that analysis, the County may need to revise or add programs and address and remove or mitigate any identified constraints.	
38	While the element contains Program H-4f related to mobilehome preservation, the program should be revised to include specific steps and timing commitments the County will undertake in rehabilitation and rebuilding during the current planning period and consider a higher numeric target for the planning period.	Program H-4f of Table 7 (Page: 52)
39	As noted in Finding B1, the element must include a complete analysis of AFFH. Based on the outcome of that analysis, the element must add or modify programs. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, milestones, geographic targeting and metrics or numerical targets and, as appropriate, address housing mobility enhancement, new housing choices and affordability in higher opportunity or income areas (throughout the County), place-based strategies for community preservation and revitalization and displacement protection.	See AFFH programs in Table 7.
40	The element must commit to monitor ADU production and affordability throughout the course of the planning period and implement additional actions if not meeting target numbers anticipated in the housing element. Monitoring should occur at least twice in the planning period. 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	Program H-4l of Table 7 (Page: 53)
41	The element provides a summary of quantified objectives on page 49 for the 6th cycle planning period. For your information, conservation and rehabilitation objectives could be supplemented to reflect units conserved or rehabilitated from Programs H-1a, H-1b, and H-1c, as an example.	Page: 59
42	While the element includes a general summary of the public participation process (pp. 1-24; Appendix A), 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 describes outreach in which focus groups with conducted with various stakeholders, in addition to interviews with Spanish speakers, but should also identify and describe additional opportunities were taken to engage with lower-income and special needs populations in the community. As an example, the element could describe efforts to conduct outreach at other public forums, such as schools, places of worship, libraries, shopping centers, parks, and at community-led events. Further, although the element summarizes public comments it received, it should also describe how they were considered and incorporated into the element. As an example, the element should identify how it considered and incorporated comments received regarding mobilehome parks and multi- generational housing in its goals, actions, and programs.	Pages: 2 - 3, 28-29; Appendix A.
43	While the element describes how General Plan consistency was achieved (pg. 24), it must also identify how it will be maintained during the planning period. For example, to maintain internal consistency, the element could include a program to conduct an internal consistency review of the general plan as part of the annual general plan implementation report required by Government Code section 65400. The annual report can also assist future updates of the housing element. For additional information and a sample program, see the Building Blocks at http://www.hcd.ca.gov/community-development/building-blocks/otherrequirements/analysis-consistency-general-plan.shtml .	Program H-5e of Table 7 (Page: 54)