

City of Gilroy Comment Response Matrix (pages reflect redlined PDF)  
 Response to HCD Letter Dated 01-27-23

HCD Comment	Chapter / Page Number	City Response - HEU Revisions / Programs
<b>AFFIRMATIVELY FURTHERING FAIR HOUSING (AFFH)</b>		
<p><u>Fair Housing Enforcement and Capacity</u>: The housing element must include a summary of fair housing enforcement and outreach capacity. The analysis must address how the City complies with state and federal fair housing laws, including regulations, lawsuits, and related enforcement actions. The element should also quantify local complaints and discuss characteristics relative to protected characteristics (e.g., disability, race, familial status).</p>	<p>Affirmatively Furthering Fair Housing            98-100            (106 of 363)</p>	<p><u>Fair Housing Enforcement and Capacity</u>: Added information regarding fair housing enforcement and outreach capacity, including data from the Department of Housing and Urban Development’s Office of Fair Housing and Equal Opportunity (FHEO). Noted that there are no active lawsuits in the City. Local data was also collected from Project Sentinel, regarding the number of calls received on behalf of the City since 2017 and the number of cases managed since 2015. Local data included the type of complaint, age of complainant, and racial characteristics as requested by HCD.</p>
<p><u>Segregation and Integration (Income)</u>: The element discusses areas of higher concentration of lower and moderate-income households and poverty, including coincidences with race. However, the element should also consider American Community Survey data for income categories related to median incomes and discuss areas of relatively higher income then expand the discussion of income using local data and knowledge as well as other relevant factors like zoning and land use.</p>	<p>Affirmatively Furthering Fair Housing            Figures 14 &amp; 15            107-109            (115 of 363)              Programs            265-305            (269-309 of 363)</p>	<p><u>Segregation and Integration (Income)</u>: Added data from the American Community Survey (ACS) on the quantity of the population within each household income level in the City. Included a chart on households per income level and a map showing median income by census tract. Included local data on historical land use patterns in the eastern and western portions of the City.</p> <p>Modified Program A-10 to provide more flexibility in the type of units allowed under SB 9 by allowing triplexes and fourplexes as an alternative design to a traditional duplex with an ADU or a junior ADU. This program will encourage the development of middle-income housing throughout the City, including high-resource areas primarily comprised of detached single-family residences. Modified Program A-10 to allow triplexes and fourplexes on corner lots in the R-1 and R-2 zoning districts. This program will encourage the development of middle-income housing in high-resource areas primarily comprised of detached single-family residences.</p>
<p><u>Racially and Ethnically Concentrated Area of Poverty (RECAP)</u>: While the element identifies the RECAP and discusses some current efforts such as the environmental justice element, it should expand the discussion of this area to better formulate appropriate policies and programs. For example, the element could examine and compare the</p>	<p>Affirmatively Furthering Fair Housing            118-123, 142</p>	<p><u>Racially and Ethnically Concentrated Area of Poverty (RECAP)</u>: Added more analysis of recent improvements to streetscapes and amenities in the R/ECAP. Included a map of year structures were built to illustrate why housing conditions may be different in the R/ECAP than elsewhere in the City (Figure 41). Included map and location of curb and ADA improvements in the R/ECAP funded by CDBG (Figure</p>

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<p>quality of life relative to other neighborhoods (e.g., parks, streetscapes, schools, safe routes to schools, infrastructure, community amenities, housing conditions, neighborhood conditions).</p>	<p>(126, 150 of 363)</p>	<p>24). Added local data analysis by code enforcement staff regarding concentrations of health care facilities, transit, and employment opportunities in the R/ECAP.</p>
<p><u>Disproportionate Housing Needs</u>: The element includes some general information on persons experiencing homelessness and housing conditions but should also evaluate those needs, impacts and patterns within the City, such as areas of higher need. For homelessness, the element should examine disproportionate impacts on protected characteristics (e.g., race, disability) and patterns of need, including access to transportation and services. For housing conditions, the element should discuss any areas of potentially higher needs of rehabilitation and replacement. The element may utilize local data and knowledge such as service providers and code enforcement officials to assist this analysis.</p>	<p>Affirmatively Furthering Fair Housing 141-148 (149 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Disproportionate Housing Needs</u>: Included local data from code enforcement staff, the City’s Quality of Life officer, and the South County Compassion Center regarding the unhoused population including location concentrations, migration patterns, use of transit and services, and general characteristics such as race and mental illness. Added local data on the number of dwelling units in Gilroy in need of rehabilitation or repair.</p> <p>Added Program G-6 (Unhoused Population Education and Outreach) to educate the public on the unhoused population and homelessness as well as advertise resources that available for the unhoused population. Under Program C-2 (Housing Rehabilitation), the City will utilize Community Development Block Grant (CDBG) funds, as available, to assist in the improvement and rehabilitation of substandard housing for low-income homeowners in Gilroy.</p>
<p><u>Affirmatively Furthering Fair Housing (AFFH) and Identified Sites</u>: The element includes some discussion of identified sites to accommodate the regional housing needs allocation (RHNA) and fair housing conditions. For example, the element discusses the low and moderate-income RHNA in areas of higher concentrations of lower and moderate-income households. But the discussion should address the RHNA for all income categories by location instead of fair housing categories to better evaluate whether identified sites exacerbate or improve fair housing conditions. The discussion should also quantify the RHNA by income group and location and evaluate impacts on existing patterns. For example, the element could quantify the lower, moderate and above</p>	<p>Affirmatively Furthering Fair Housing 92-97 (100 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Affirmatively Furthering Fair Housing (AFFH) and Identified Sites</u>: Added a table (Table 47) to compare census tracts in the City and to show that there is no significant, pervasive pattern of segregation that could be exacerbated by site selection or location. Included a map (Figure 7) to show the bounds of the census tracts that intersect with Gilroy to illustrate that many discrepancies in the opportunity scoring may be due to land uses outside the City bounds.</p> <p>To provide more housing opportunities outside the R/ECAP, the City added Program A-10 to allow triplexes and fourplexes on corner lots in the R-1 and R-2 zoning districts. This program will encourage the development of middle-income housing in high-resource areas primarily comprised of detached single-family residences.</p>

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<p>moderate-income RHNA in the central eastern part of the City, discuss impacts on the existing number of households relative to socio-economic characteristics (e.g., income, TCAC resource, overpayment, displacement) and then evaluate whether the inventory exacerbates or improves fair housing conditions. This same analysis should be performed for the northwestern and other parts of the City.</p>		<p>Programs A-11 (Inclusionary Policy) and A-12 (Incentives Beyond Density Bonus State Law) will facilitate affordable housing opportunities in the City's higher resource / higher income areas.</p>
<p><u>Local Data and Knowledge:</u> 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, City staff and related local and county planning documents.</p>	<p>Affirmatively            Furthering Fair            Housing, Sites            and Resources            117-122, 141-            146,            151-154            (125 of 363)            (149 of 3630)            (154 of 363)</p>	<p><u>Local Data and Knowledge:</u> Included discussions with service providers regarding developmental disabilities and fair housing complaints. Included survey data from local farmworkers, seniors, and the City's youth regarding the top housing issues they face. Included local data from planning staff, code enforcement staff, the City's Quality of Life officer, Project Sentinel, and the South County Compassion Center on various issues throughout the Housing Element text. Included local data from the City's Historical Context Statement regarding historic patterns of development in the City.</p>
<p><u>Other Relevant Factors:</u> The element must include other relevant factors that contribute to fair housing issues in the City. For instance, the element can analyze historical land use (zoning, ballot initiatives, growth controls), information about redlining/greenlining, disinvestment, and other issues that impacted socio-economic patterns complemented by the state and federal data.</p>	<p>Affirmatively            Furthering Fair            Housing            151-154            (159 of 363)</p>	<p><u>Other Relevant Factors:</u> Expanded discussion of historical land use patterns, including racial covenants in other Santa Clara County cities. Included local data from the City's Historical Context Statement, which presents the history of Gilroy's built environment that contributed to the current land use patterns in the City. Added a discussion of the Urban Growth Boundary and the ballot initiative (Measure H) that led to its creation.</p>
<p><u>Contributing Factors to Fair Housing Issues:</u> Based on the outcomes of a complete analysis, the element should re-assess contributing factors and particularly prioritize those factors then formulate appropriate policies and programs.</p>	<p>Affirmatively            Furthering Fair            Housing Table            57 154-166</p>	<p><u>Contributing Factors to Fair Housing Issues:</u> Program F-3 (Place-Based Improvements in Downtown Gilroy) will improve conditions in the City's R/ECAP area. Program G-2 (Community Outreach and Inclusion in the Decision-Making Process) includes geographic targeting in the R/ECAP area. Similarly, Program G-4</p>

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	(163 of 363) Programs 265-305 (269-309 of 363)	(Increased Outreach in Downtown Areas) directs the city to consider the viewpoints and concerns of all neighborhoods within Gilroy, and specifically the R/ECAP area when drafting the High-Speed Rail Station Area Plan and when updating the Downtown Specific Plan. Under Program G-7 (Bilingual Engagement), the City will increase Spanish language engagement given the City's large Hispanic population which is further facilitated by the recent expansion of the City's bilingual pay benefits, which should increase the number of bilingual staff available to assist the Spanish-speaking community.
<b>HOUSING NEEDS</b>		
<p><u>Extremely Low-Income (ELI) Households:</u> The element (p. 71) reports that approximately 80 percent of ELI households experience housing problems then, with no further discussion, concludes the City is preparing an inclusionary requirements and density bonus ordinance. While inclusionary and density bonuses can be meaningful policies, the element should examine the needs of ELI households to better formulate policies and programs. The analysis should evaluate tenure, overcrowding, overpayment, disproportionate impacts relative to other income groups, resources, past strategies and their effectiveness and magnitude of housing needs.</p>	<p>Housing Needs Assessment 54, 82-85 (62, 90 of 363)  Programs 265-305 (269-309 of 363)</p>	<p><u>Extremely Low-Income (ELI) Households:</u> The element includes Table 21, which shows overpayment by tenure compared between each income level. CHAS data was added to show rates of overcrowding for ELI households compared to all income levels. The element includes a discussion of how overcrowding occurs when extremely low-income households cannot afford residential units with sufficient size to accommodate a large household.</p> <p>Under Program A-12, the City will develop a policy to incentive housing for large households, extremely low-income households, farmworkers, and households with members with intellectual or developmental disabilities. Under Program E-11, the City will facilitate and support affordable housing for extremely low income and special needs households by meeting with and assisting affordable housing developers and homeless service providers, and pursuing funding sources, to assist special needs households.</p>
<p><u>Housing Conditions:</u> The element discusses housing units by age, number of units lacking plumbing and kitchen facilities and recent code enforcement activities but should still estimate (City-wide) the number of units in need of rehabilitation and replacement.</p>	<p>Housing Needs Assessment 61 Affirmatively</p>	<p><u>Housing Conditions:</u> Included local data from the City's code enforcement officers regarding neighborhoods with housing conditions in potentially higher need of rehabilitation and replacement. Included local data on the estimated number of units in need of repair or replacement in the City.</p>

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	Furthering Fair Housing, 141-142 (69, 149 of 363)	
<p><u>Special Housing Needs</u>: While the element includes some quantification of special housing needs, it must still analyze those needs. The analysis should include, but is not limited to, factors such as trends, household income, tenure, housing types, zoning, available resources, effectiveness of past strategies and an evaluation of the magnitude of the need. Local officials, special needs service providers, or social and health service providers may be able to assist with information to complete the analysis.</p> <p>In addition, the analysis should quantify the number of persons with developmental disabilities as well as update homelessness numbers from the most recent PIT count.</p>	<p>Housing Needs Assessment 67-85 (75 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Special Housing Needs</u>: Included local data from a Developmental Disabilities Housing Needs Analysis provided by Housing Choices (e.g., unique needs of disabled individuals, needed housing types, the number of people with a developmental disability in the City by age and living arrangement). Included local data from meetings with intellectually and developmentally disabled (I/DD) individuals, their caregivers, and staff from Housing Choices and the San Andreas Regional Center. Included information on Villa Esperanza, a facility that provides low-income apartment units and services for persons with disabilities. Included local data from surveys focused on housing issues experienced by farmworkers, seniors, and Gilroy youth.</p> <p>The unhoused analysis was updated to reflect the 2022 Point in Time homeless count.</p> <p>To further accommodate and facilitate housing for special needs households, the City modified programs A-2 (Surplus Lands/Affordable Housing on City-Owned Sites) and E-7 (housing for farmworkers) and added Programs E-10 (housing for disabled persons), E-11 (housing for ELI/special needs households), and E-12 (flexible standards for projects that accommodate extremely low-income and Special Needs Households). Program G-1 (Collaboration with Development Community) was amended to specifically contact affordable housing developers and developers of special needs households for their participation in the annual developer roundtable meeting, with the goal of at least four participating in the annual roundtable.</p>

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<b>SITES</b>		
<p><u>Progress toward the RHNA:</u> While the element may utilize constructed, permitted, approved and pending projects toward the RHNA, it must also demonstrate their availability in the planning period. Availability should confirm the projects have not been reported before the beginning of the projection period (June 30, 2022) and account for the likelihood of project completion in the planning period, including the status, necessary steps to issue permits, any barriers to development, phasing, build-out horizons, dropout rates and other relevant factors.</p>	<p>Sites and Resources 218-226 (226 of 363)</p>	<p><u>Progress toward the RHNA:</u> All of the pipeline projects can be counted in the planning period. None of the projects received final occupancy or a final building permit before June 30, 2022. There are no known barriers to development, phasing, or other relevant factors that would prohibit the pipeline projects from completion. Table 76 (Pipeline Projects Counted in the 6th Cycle) was updated to reflect the status of each project, including the status of planning applications and building permits.</p>
<p><u>Realistic Capacity:</u> Where zoning allows 100 percent nonresidential uses, the calculation of residential capacity should account for the likelihood of 100 percent nonresidential development. For example, the element could analyze all development activity in nonresidential zones allowing 100 percent nonresidential uses, how often residential development occurs and adjust residential capacity calculations, policies, and programs accordingly. This analysis may incorporate any proposed policies such as residential performance standards, prohibition of commercial uses and should clarify that all zones allow residential uses, particularly 100 percent residential uses.</p>	<p>Sites and Resources 172, 216 (180, 224 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Realistic Capacity:</u> The Housing Element was revised to discuss which zones allow 100 percent non-residential uses. The realistic capacity calculation is partly based on recent permits and inquiries that illustrate the trend of maximizing residential and minimizing commercial uses in mixed-use zones. City staff noted that inquiries coming into the City are primarily for 100 percent residential or mixed-use. Staff also noted concerns from developers over the viability of commercial uses outside the historic downtown core.</p> <p>Approximately 29.9 percent of the very low-income opportunity site units and approximately 44.9 percent of the moderate-income opportunity site units are located in the City’s Downtown Expansion District (20.4% and 44.9%) and First Street Corridor District (9.5% and 0%). To increase the likelihood that a sufficient number of residential units are built in this District, the City added Program E - 12 (Downtown Expansion District and Mixed-Use Corridor Flexibility). This Program will allow 100 percent residential projects in the Downtown Expansion District and flexibility for the non-residential portion of mixed-use projects in the First Street Corridor, should projects meet certain criteria or provide housing for special needs groups (e.g., extremely low-income).</p>

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<p><u>Suitability of Nonvacant Sites</u>: The element must demonstrate the potential for additional development on nonvacant sites. While the element (p. 181) notes recent trends on sites with existing uses and includes general descriptions of nonvacant sites, it should evaluate the extent existing uses impeded additional development and demonstrate the potential for redevelopment in the planning period, including sites identified in prior planning periods. The analysis should address market demand for the existing use and existing leases, contracts or other conditions that would perpetuate the existing use or prevent additional residential development. The element should include a discussion of why the uses will likely discontinue or be redeveloped in the planning period and should consider additional indicators of the potential for redevelopment such as age and condition of the existing structure, expressed developer or property owner interest, existing versus allowable floor area, and other factors.</p> <p>In addition, based on public comments, the inventory may contain sites with existing uses that are labeled as vacant. The element should make corrections, as appropriate.</p>	<p>Sites and Resources 230-251 (239 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p> <p>Appendix B 308-310 (316 of 363)</p>	<p><u>Suitability of Nonvacant Sites</u>: Expanded the discussion on non-vacant site details to include maximum FAR and residential density requirements. Included proximity to relevant resources such as schools, daycare facilities, and grocery stores. Took site characteristics, surrounding uses, and development constraints into consideration when evaluating each site’s development potential. Included examples of inquiry for residential development on non-vacant lots.</p> <p>Modified Program A-1 (No Net Loss Inventory and Monitoring) to create a No Net Loss Inventory of replacement sites by the end of 2024 to ensure the City has adequate sites to accommodate any net loss of RHNA sites or accessory dwelling units (ADUs) that fall below projections.</p> <p>Updated the analysis and sites inventory to clarify which sites are vacant and non-vacant. There was one parcel being used for parking that was being categorized as vacant that has been recategorized as non-vacant. Despite this minor increase in the percentage of lower-income RHNA units on non- vacant sites, the requirements of Government Code Section 65583.2(g)(2) do not apply to Gilroy, since only 31.2 percent of the proposed lower-income RHNA sites (including the buffer) are met through non-vacant sites (less than 50%).</p>
<p><u>Replacement Housing Requirements</u>: If the sites inventory identifies sites with existing residential uses, the element must include a replacement housing program for units affordable to lower-income households Pursuant to Government Code section 65583.2, subdivision (g). Absent a replacement housing program, these sites are not adequate sites to accommodate lower-income households. The replacement housing program has the same requirements as set forth in Government Code section 65915, subdivision (c) (3).</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Replacement Housing Requirements</u>: Modified Program B-7 (Zoning Ordinance Update) to amend the Zoning Ordinance to require that any demolished residential units on the Sites Inventory be replaced pursuant to Government Code Section 65583.2(g).</p>

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<p><u>Zoning for Moderate and Above Moderate-income Households (AB 725)</u>: For jurisdictions that are considered Metropolitan, pursuant to Government Code section 65583.2, subdivision (c)(4), the element must identify at least 25 percent of the remaining moderate and above moderate RHNA on sites that allow at least four units of housing (e.g., four plex or greater).</p>	<p>Sites and Resources 227-228 (235 of 363)</p>	<p><u>Zoning for Moderate and Above Moderate-income Households (AB 725)</u>: There are 155 moderate RHNA units remaining after pipeline projects and projected ADUs. There are 167 moderate-income RHNA opportunity sites that allow for at least four units of development. Thus, the City is compliant with Government Code Section 65583.2(c)(4). The allocation of moderate units is shown in Appendix B. There is no remaining need of above moderate units, as they are all met through pipeline projects.</p>
<p><u>Environmental Constraints</u>: While the element generally describes environmental conditions, it should also describe how those conditions relate to identified sites and evaluate any other known conditions (e.g., shape, easements, contamination) that could preclude or impact housing development on identified sites in the planning period.</p>	<p>Sites and Resources 219-220 (227 of 363)</p>	<p><u>Environmental Constraints</u>: Expanded the discussion on environmental and infrastructure constraints to describe the environmental conditions related to sites in the DTSP and provided examples of environmental conditions impacting recent housing projects.</p>
<p><u>Accessory Dwelling Units (ADU)</u>: While the element demonstrates a sufficient methodology to utilize ADUs toward the RHNA, the figures differ from HCD’s records. HCD records show no ADUs reported in 2018 and 13 ADUs reported in 2020. The City should reconcile these differences either in the element or correcting the annual progress reports pursuant to Government Code section 65400.</p>	<p>Sites and Resources 226-227  Programs 265-305 (269-309 of 363)</p>	<p><u>Accessory Dwelling Units (ADU)</u>: <u>Accessory Dwelling Units (ADU)</u>: On April 24, 2023, City staff worked with HCD to reconcile the HCD dashboard and City records. The HCD dashboard should now show seven (7) ADUs in 2018. Upon checking through City records, it was determined that 13 ADUs were issued permits in 2020, while the remaining seven (7) units received “final permits” in 2020 but were “issued permits” in either 2018 or 2019. The Housing Element has been updated to reflect the correct number. Although the overall average of ADUs decreased, the City has proposed five (5) ADU programs that should assist the City in achieving the estimated 140 ADUs over the 2023-2031 planning period. Additionally, Program A-6 (ADU Tracking and Monitoring) was amended to include an update to the ADU strategy if annual production and affordability rates do not match the estimates included in the Housing Sites and Resources chapter. The full list of ADU programs include Program A-6 (ADU Tracking and Monitoring), A-7 (ADU Pre-Designed Plans), A-8 (Financial Incentives for Affordable ADUs), Program A-15 (ADU Ordinance Updates), and G – 3 (ADU Education).</p>



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<p><u>Electronic Sites Inventory</u>: 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 <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a>. 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 <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements">https://www.hcd.ca.gov/planning-and-community-development/housing-elements</a> for a copy of the form and instructions. The City can reach out to HCD at <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a> for technical assistance.</p>	<p>N/A</p>	<p><u>Electronic Sites Inventory</u>: Pursuant to Government Code section 65583.3, the City will submit an electronic version of the adopted sites inventory to <a href="mailto:sitesinventory@hcd.ca.gov">sitesinventory@hcd.ca.gov</a>.</p>
<b>ZONING FOR A VARIETY OF HOUSING TYPES</b>		
<p><u>Emergency Shelters</u>: Zoning to permit emergency shelters without discretionary action was required within the first year of the 4th cycle planning period. The element appears to explain that zoning to permit emergency shelters without discretionary action is not available. If this is the case, the element cannot be found in compliance until the appropriate zoning is established since the first year in the 4th cycle of the planning period has lapsed. In addition, the element commits to amend the R4 zone and mentions approximately 10 acres available to accommodate the need for emergency shelters. However, how this acreage overlaps with capacity to accommodate the RHNA is unclear and the element should include specific discussion of available capacity to accommodate the need for emergency shelters separate from capacity to accommodate the RHNA. The analysis of capacity should also address typical parcel sizes and proximity to transportation and services. If necessary, the element should consider additional zones. Finally, the element should specifically list development standards, identify any potential constraints, including</p>	<p>Constraints on Housing 187 (195 of 363)  Programs 265-305 (269-309 of 363)</p>	<p><u>Emergency Shelters</u>: Expanded the discussion on emergency shelters to include analysis regarding acreage capacity to accommodate the RHNA and emergency shelters, without overlapping capacity. The analysis now addresses parcel size and proximity to services, transportation, and development standards to address identified constraints.</p> <p>On May 1, 2023, the City Council considered the first reading of an Ordinance to amend the City’s existing emergency shelters regulations to allow emergency shelters by-right in the City’s R4 and new mixed-use zone along First Street and removing the conditional use permit requirement in those zones. The definition of emergency shelter was amended to include “other interim interventions, including, but not limited to, a navigation center, bridge housing, and respite or recuperative care”. The revisions also remove the reference to families and amend standards related to on-site management, waiting and intake areas, and parking based on the number of staff only. This action implements Program E-3 (Emergency Shelter</p>

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<p>parking and specifically commit to address constraints in Program E-3 (Emergency Shelters Zoning). For your information, statute was recently amended to specify how to demonstrate suitable sites and sufficient capacity to accommodate the need for emergency shelters. Future submittals may need to address these requirements. For more information and applicable timing, see HCD’s AB 2993 memorandum at <a href="https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf">https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/ab2339-notice.pdf</a>.</p>		<p>Standards) and the requirements of Chapter 654, Statutes of 2022 (AB 2339) and Government Code Section 65583(a)(4).</p> <p>The Ordinance is scheduled for final approval on May 15, 2023. The revised Ordinance will take effect on June 14, 2023 or 30-days after final approval.</p>
<p><u>Transitional and Supportive Housing</u>: Transitional housing and supportive housing must be permitted as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. (Gov. Code, § 65583, subd. (a)(5).) The City appears to subject transitional and supportive housing for seven or persons to a conditional use permit, unlike other residential uses. The element must either clarify transitional and supportive housing standards are permitted in compliance with statutory requirements or add or revise programs to comply with the statutory requirements.</p>	<p>Constraints on Housing 188 (196 of 363)</p>	<p><u>Transitional and Supportive Housing</u>: Added clarification to the discussion on transitional and supportive housing to affirmatively state the City's transitional and supportive housing standards are in full compliance with Government Code Section 65583(a)(5).</p>
<p><u>Permanent Supportive Housing</u>: Supportive housing shall be a use by-right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651. The element must demonstrate compliance with this requirement and include programs as appropriate.</p>	<p>Constraints on Housing 188 (196 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Permanent Supportive Housing</u>: Added program E-13 (Supportive Housing) to allow supportive housing by-right in zones where multifamily and mixed uses are permitted, pursuant to Government Code Section 65651.</p>

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<p><u>Land Use Controls</u>: The element must identify and analyze all relevant land use controls impacts as potential constraints on a variety of housing types. The analysis should analyze land use controls independently and cumulatively with other land use controls. The analysis should specifically address requirements related to parking, heights, lot coverage, allowable density ranges and development standards for the Downtown Specific Plan by zone. The analysis should address any impacts on cost, supply, housing choice, affordability, timing, approval certainty and ability to achieve maximum densities.</p> <p>In addition, the element concludes the City complies with State Density Bonus Law (SDBL) pursuant to Government Code section 65915 but should include a discussion to support this conclusion or add or modify programs to comply with SDBL. For example, the element should discuss application requirements, decision-making criteria and consistency with various benefits under SDBL such as density bonuses, concessions and incentives, development standard modifications and parking reductions.</p>	<p>Constraints on Housing 172-182 (180 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Land Use Controls</u>: Expanded the Downtown Specific Plan development standards table to include yard, height, density, and building form requirements. Expanded the Zoning Ordinance discussion to include residential densities, planned development exceptions, lot size, floor area, and lot coverage. Expanded the discussion on cumulative effect of development standards to address constraints on land use controls.</p> <p>The City currently processes applications consistent with state density bonus law. As discussed in the Housing Element, multiple projects have utilized the density bonus, including the Hecker Pass Apartments (100 units), the 1st and Kern Apartments (120 units), and the 6630-6680 Monterey Street Affordable Housing Project (94 units).</p> <p>Through Program A-12 (Incentives Beyond Density Bonus State Law) the City will consider additional development concessions and incentives for projects accommodating special needs households and extremely low-income households. Amended Program B-7 (Zoning Ordinance update) to evaluate development standards (e.g., parking) for all zones, including DTSP zones. Through Program B-10 (Zoning Code Annual Updates), the City will establish an annual process to update City policies, codes and ordinances to comply with new State laws affecting housing and land use.</p>
<p><u>Accessory Dwelling Units (ADUs)</u>: The element indicates the City modifies its zoning code to ease barriers to the development of ADU's. However, after a cursory review of the City's ordinance, the department discovered several areas which were not consistent with State ADU law. This includes, but is not limited to, excessive development standards, requiring existing dwellings to correct nonconforming zoning conditions prior to approval of and ADU, maximum and minimum size restrictions, allowing additional conditions to be imposed by the City Manager, among others. The Department will provide a complete listing of ADU noncompliance issues under a separate cover. As a result, the element</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Accessory Dwelling Units (ADUs)</u>: On April 25, 2023, the City received a letter from HCD outlining the areas determined to be out of compliance with State law. Prior to May 25, 2023, the City will respond to the letter with a list of all amendments to be made prior to the end of 2023.</p> <p>Program A-15 (ADU Ordinance Updates) directs the City to update the zoning ordinance to conform to current state law regarding ADUs. Additionally, under this program, the City will replace the ADU deed restriction requirement with an owner affidavit form that does not require recordation at the County. This change will streamline the process for approving ADUs in the City of Gilroy. There are several</p>

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<p>should add a program to update the City’s ADU ordinance to comply with State law.</p>		<p>other programs intended to increase the number of ADUs in the City, including Program A-6 (ADU Tracking and Monitoring), A-7 (ADU Pre-Designed Plans), A-8 (Financial Incentives for Affordable ADUs), and G – 3 (ADU Education).</p>
<p><u>Building Codes</u>: The element should identify and evaluate any local amendments to the building code for impacts on housing costs.</p>	<p>Constraints on Housing 202 (210 of 363)</p>	<p><u>Building Codes</u>: Expanded the Building Code analysis to identify and evaluate locally adopted codes, including the recently adopted reach codes.</p>
<p><u>Fees and Exaction</u>: The element provides a cumulative analysis of fees on various housing types but should also list all the various planning and impact fees, including to better evaluate the impacts on housing development costs. The element should also include a specific analysis on ADU impact fees as a constraint to ADU production.</p>	<p>Constraints on Housing 195-199 (203 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Fees and Exaction</u>: In addition to discussing current school fees, the Housing Element provides a summary of planning and development impact fees in Table 67 (Planning Related Fees) and Table 68 (Development Impact Fees). In 2021/2022, fees were compared to other cities in Santa Clara County, resulting in Table 69 (Total Fees per Unit, Regional Comparison), and Table 70 (Fees as Percentage of Total Development Costs, Regional Comparison). Fees in Gilroy generally fall in the mid-range comparatively. Furthermore, development has not slowed following fee increases in 2022, indicating that Gilroy’s fees are reasonably set and do not represent a constraint on development. ADU impact fees are discussed in the Constraints chapter.</p> <p>The City modified Program A-8 (Financial Incentives for Affordable ADUs) to evaluate ADU impact fees as a potential constraint for affordable housing if average ADU production falls below anticipated levels. Through Program B-4 (Public Fees, Standards, and Plans Online),the City will compile all development standards, plans, fees, and nexus studies in an easily accessible online location.</p>
<p><u>On/Off Site Improvements</u>: The element states the City requires on and off-site improvements but should also identify subdivision level improvement requirements for a typical development, such as minimum</p>	<p>Constraints on Housing 202-205 (210 of 363)</p>	<p><u>On/Off Site Improvements</u>: Expanded the discussion of on- and off-site improvement requirements to include analysis of subdivision level improvement requirements for a typical development. Based on recent proposals submitted and entitled citywide for a</p>

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<p>street widths (e.g., 40-foot minimum street width), and analyze their impact as potential constraints on housing supply and cost.</p> <p>For additional information and a sample analysis, see the Building Blocks at <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/codes-and-enforcement-and-onsite-offsite-improvement-standards">https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/codes-and-enforcement-and-onsite-offsite-improvement-standards</a>.</p>		<p>range of housing types, the City's residential site improvement requirements do not create an undue constraint on residential development.</p>
<p><u>Local Processing and Permit Procedures</u>: The element lists procedural steps for permits but should also analyze the procedures for a typical single family and multifamily development complying with zoning. The analysis should address the approval body, the number of public hearing if any, approval findings and any other relevant information. The analysis should address impacts on housing supply (number of units), cost, feasibility, timing and approval certainty.</p>	<p>Constraints on Housing 192-199 (200 of 363)</p>	<p><u>Local Processing and Permit Procedures</u>: Expanded the analysis on development review and permitting procedures to include the administrative vs discretionary permitting procedures for single-family, multi-family, and planned unit development projects. Most single-family residential projects can be approved ministerially. Single-family hillside homes and multifamily residential projects that comply with objective development and design standards are approved through an administrative planning staff review process, without the need for public hearings, unless another entitlement tied to the project would require a public hearing. Tables 65 through 68 displays planning fees and permit processing time for various types of residential permits and compares those times to other County jurisdictions.</p>
<p><u>Constraints on Housing for Persons with Disabilities Reasonable Accommodation</u>: The element describes the reasonable accommodation procedure (p. 158) but should specifically analyze decision-making criteria such as approval findings. For example, the procedure includes a decision-making factor of potential impacts on surrounding uses – a conditional use permit (CUP) finding which can act as a constraint. The element should analyze this factor and add or modify programs to address the constraint.</p>	<p>Constraints on Housing 200-201 (208 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Constraints on Housing for Persons with Disabilities Reasonable Accommodation</u>: Added Program E-10 (Development and Rehabilitation of Housing for Persons with Disabilities) to evaluate the City's reasonable accommodation standards and procedures, and revise, as necessary, regulations that act as potential constraints to accommodating persons with disabilities.</p>
<p><u>Constraints on Housing for Persons with Disabilities Group Homes</u>: The element indicates group homes for six or less persons and seven or more persons are excluded from the A zone, unlike single family uses. The</p>	<p>Constraints on Housing 200-201</p>	<p><u>Constraints on Housing for Persons with Disabilities Group Homes</u>: Added Program E-10 (Development and Rehabilitation of Housing for Persons with Disabilities) to</p>

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<p>element should analyze this as a constraint and include a program to address the constraint. Additionally, group homes for seven or more persons are subject to a CUP. The element should analyze the CUP requirement and add or modify programs to address the constraint.</p>	<p>(208 of 363)             Programs            265-305            (269-309 of 363)</p>	<p>evaluate and revise as necessary the permit requirements for residential care homes (i.e., group homes) in agricultural, and medium- and higher-density residential zones.</p>
<p><u>Nongovernmental Constraints</u>: The element should include a discussion about requests for development at lesser densities than assumptions in the sites inventory. In addition, the element should include a discussion of the typical time between entitlement approval and requests for building permits. The discussion should address any hinderances on housing development and programs should be added as appropriate to address constraints.</p>	<p>Constraints on Housing            204-206            (212 of 363)</p>	<p><u>Nongovernmental Constraints</u>: Expanded the discussion on requests to develop below the anticipated density and how this affects the assumptions in the sites inventory. Added discussion of the typical time between entitlement approval and requests for building permits.</p>
<p><u>Energy Conservation</u>: The element must include analysis of energy conservation opportunities in residential development. The analysis should facilitate the adoption of housing element policies and programs. For example, programs could provide incentives to promote higher density housing along transit, encourage green building techniques and materials in new construction and remodels, promote energy audits and participation in utility conservation programs, and facilitate energy conserving retrofits upon resale of homes. For additional information and sample analysis, see the Building Blocks at <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/opportunities-energy-conservation">https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/opportunities-energy-conservation</a>.</p>	<p>Constraints on Housing            211-212            (219 of 363)</p>	<p><u>Energy Conservation</u>: Included an energy conservation section to analyze energy conservation opportunities and existing programs for residential development in the City and County. In November 2022, the City adopted the 2022 California Building Code with local amendments. The reach code amendments (e.g., EV charging) were based on the model code amendment initiated by Silicon Valley Clean Energy and incorporated adjustments resulting from outreach and stakeholder input from the local community.</p> <p>In early 2023, the City of Gilroy launched Solar Automated Permit Processing Plus (SolarAPP+), an online portal that simplifies permit processing and accelerates installation of rooftop and residential solar photovoltaic (PV) systems.</p>
<p><u>At-Risk Units</u>: The analysis of at-risk unit must estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately and does</p>	<p>Housing Needs Assessment            61-63            (69 of 363)</p>	<p><u>At-Risk Units</u>: Updated Table 29 and the at-risk unit analysis, consistent with HCD records. The City also updated Table 30 regarding replacement costs.</p>

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<p>not have to contain a project-by-project cost estimate. The analysis should also reconcile the number of at-risk units with HCD’s records. HCD will send a list of at- risk properties under separate cover.</p>		
<b>HOUSING PROGRAMS</b>		
<p><u>Sufficient Sites</u>: As noted in Finding A3, 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.</p>	<p>Appendix A &amp; B 306-325 (314 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Sufficient Sites</u>: The entire Sites Inventory was reassessed and is accurate/complete. The City revised Program A-1 (No Net Loss Inventory and Monitoring) to include the addition of a no net loss inventory list; revised Program A-2 (Surplus Lands/Affordable Housing on City-Owned Sites) to proactively advertise City-owned surplus lands to affordable housing providers, the Santa Clara County Office of Supportive Housing, and developers of special needs housing; Program A-6 (ADU Tracking and Monitoring) was amended to include an update to the ADU strategy if annual production and affordability rates do not match the estimates included in the Housing Sites and Resources chapter; modified Program A-10 (Facilitate Missing Middle / Middle Income Housing) to provide more flexibility in the type of units allowed under SB 9 by allowing triplexes and fourplexes as an alternative design to a traditional duplex with an ADU or a junior ADU. Added Program E-12 (Downtown Expansion District and Mixed-Use Corridor Flexibility) to allow 100% Residential in the Downtown Expansion District and provide flexibility for mixed-use projects that accommodate extremely low-income and Special Needs Households.</p>
<p><u>Program A-2 (City-owned Lands)</u>: The Program should go beyond reviewing parcels and commit to a schedule of actions to facilitate development, including numerical objectives.</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Program A-2 (City-owned Lands)</u>: Program A-2 (Surplus Lands/Affordable Housing on City-Owned Sites) was modified to include a goal of developing at least 21 lower-income units through the Surplus Lands Act and to review the entire list of City owned sites by the end of Q4 2025 to determine which additional sites could be declared as surplus. This program also commits the City to proactively advertise any surplus land opportunities to affordable housing providers, the Santa Clara County Office of Supportive Housing, and developers of special needs housing (e.g., extremely low income, disabled, farmworker housing), when they become available.</p>

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<p><u>Program E-3 (Emergency Shelter Zoning)</u>: The Program should be modified with specific commitment to amend zoning based on the outcomes of a complete analysis as noted in Finding A3. Specific commitment includes listing the actual standards that will be revised. In addition, the Program should specifically commit to permit emergency shelters without discretionary action.</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Program E-3 (Emergency Shelter Zoning)</u>: On May 1, 2023, the City Council considered the first reading of an Ordinance to amend the City’s existing emergency shelters regulations to allow emergency shelters by-right in the City’s R4 and new mixed-use zone along 1<sup>st</sup> Street by removing the conditional use permit requirement in those zones. The definition of emergency shelter was amended to include “other interim interventions, including, but not limited to, a navigation center, bridge housing, and respite or recuperative care”. The revisions also remove the reference to families and amend standards related to on-site management, waiting and intake areas, and parking based on the number of staff only. This action implements Program E-3 (Emergency Shelters) and the requirements of Chapter 654, Statutes of 2022 (AB 2339) and Government Code Section 65583(a)(4).</p> <p>The Ordinance is scheduled for final approval on May 15, 2023. The revised Ordinance will take effect on June 14, 2023, or 30-days after final approval.</p>
<p><u>Program D-4 (Pursue Funding for Affordable Housing)</u>: The Program should specifically commit to annual outreach with affordable housing developers to identify development opportunities and provide assistance such as supporting funding application, providing funding, incentives and concessions beyond SDBL, fee waivers and priority processing.</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Program D-4 (Pursue Funding for Affordable Housing)</u>: Program D-4 was amended to reference the use of PLHA funds for eligible activities, including the predevelopment, development, acquisition, rehabilitation and preservation of affordable housing. Amendments also commit the City to meet with affordable housing developers to identify development opportunities and provide support for funding applications, consider incentives and concessions beyond SDBL, and provide priority processing.</p>
<p><u>Extremely Low-income and Special Needs Households</u>: Programs must be revised or added to assist in the development of housing for ELI and special needs households. Program actions could include assisting with funding applications, prioritizing some funding for housing developments, offering financial incentives or regulatory concessions to encourage the development of housing types, such as multifamily, single-room occupancy (SRO) units. For additional information, see the</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Extremely Low-income and Special Needs Households</u>: In addition to the changes to Program D-4 noted above, the City added Program E-11 (Housing For Extremely Low Income and Special Needs Households) to commit to specific annual outreach with affordable housing developers to identify development opportunities, provide site information, assist in the entitlement processes, and consider on a case-by-case basis other incentives, including but not limited to fee deferrals and modification of standards. Program G-1 (Collaboration with Development Community) was</p>



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<p>Building Blocks at <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs">https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/extremely-low-income-housing-needs</a>.</p>		<p>amended to specifically contact affordable housing developers and developers of special needs households for their participation in the annual developer roundtable meeting, with the goal of at least four participating in the annual roundtable.</p>
<p><u>Farmworkers</u>: The element should include specific commitment to address the needs of farmworkers. For example, the element could commit to proactive actions to coordinate with nonprofit developers, employers, and other related organizations, to explore funding and incentives and to identify specific development opportunities.</p>	<p>Housing Needs Assessment 82 (90 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Farmworkers</u>: In November and December 2022, the City of Gilroy worked with staff from the Ochoa Migrant Camp to survey resident farmworkers. Twenty-six (26) surveys were completed by the farmworkers with assistance from bilingual staff at the Migrant Camp. Feedback from the farmworkers was summarized in the Introduction, Affirmatively Furthering Fair Housing, and Housing Needs Assessment chapters of the Housing Element.</p> <p>Program E-7 (Development and Conservation of Housing for Farmworkers) was modified to add the following commitment: At least once a year, the City will forward information about City-owned land and other development opportunities to developers and service providers who may be interested in developing more farmworker housing in Gilroy. Program E-11 (Housing for Extremely Low Income and Special Needs Households) was added to commit to specific annual outreach with affordable housing developers to identify development opportunities. Eden Housing which manages three (3) farmworker housing development in Gilroy is included on the list. Program E-11 also identifies PLHA funding as a potential source for the development of farmworker housing.</p>
<p><u>Governmental and Nongovernmental Constraints</u>: As noted in Finding A4, 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.</p>	<p>Constraints on Housing 168-212 (175 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>Governmental and Nongovernmental Constraints</u>: The City expanded the Constraints chapter as noted elsewhere in this response matrix. New programs were added, and existing programs were amended to remove governmental constraints to housing production. Program A-6 (ADU Tracking and Monitoring) was amended to require a focus group event with local stakeholders in spring or fall 2026 to identify appropriate ADU programs to help increase production if annual production and affordability rates do not match RHNA estimates. Program A-8 (Financial Incentives for Affordable ADUs) was amended to evaluate ADU impact fees If ADU</p>

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		<p>production is lower than anticipated. Program A-10 (Missing Middle / Middle Income Housing) was amended to allow triplexes and fourplexes on corner lots in the R-1 and R-2 districts with a minimum 8,000 sf lot size. Program A-15 (ADU Ordinance Updates) was amended to replace the ADU deed restriction requirement with an owner affidavit form that does not require recordation at the County. Program A-16 (SB 9 Processing) was added to update the City’s SB 9 webpage to include step-by-step, user friendly instructions for processing SB 9 units and lot splits in Gilroy. Program B-3 (SB35/SB330) was amended to include the creation of checklists and instructions for reviewing and approving SB 35 and SB330 projects. Under Program B-7 (Zoning Ordinance update) the City will evaluate development standards for all zones including the Downtown Specific Plan zones for potential governmental constraints. Under Program B-9 (Building Department Webpage), the City will update the Building Department webpage to include information required pursuant to AB 2234, which should help reduce applicant time and cost and increase certainty. Under Program B-10 (Zoning Code Annual Updates), the City will establish a process to update City policies, codes and ordinances to comply with new State laws affecting housing and land use. Under Program E-3 (Emergency Shelters), the City has drafted an update to the zoning ordinance to comply with Assembly Bill (AB) 2339, AB 139, and Government Code Section 65583(a)(4) regarding emergency shelters. Program E-12 (Downtown Expansion District and Mixed-Use Corridor Flexibility) will allow 100% Residential in the Downtown Expansion District and allow flexibility for the non-residential portion of mixed-use projects that accommodate extremely low-income and Special Needs Households.</p>
<p><u>AFFH</u>: As noted in Finding A1, the element must include a complete analysis of AFFH. The element must be revised to add goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions</p>	<p>Affirmatively Furthering Fair Housing Matrix (Tables 57 and 58)</p>	<p><u>AFFH</u>: Program A-10 (Missing Middle / Middle Income Housing) was amended to allow triplexes and fourplexes on all corner lots in the R-1 and R-2 districts with a minimum 8,000 sf lot size to encourage the development of missing middle housing throughout the City, including high-resource areas primarily comprising detached single-family residences. Programs A-11 (Inclusionary Policy) and A-12 (Incentives Beyond Density Bonus State Law) will facilitate affordable housing opportunities in</p>

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<p>must have specific commitment, milestones, geographic targeting and metrics or numeric objectives and, as appropriate, must address housing mobility enhancement, new housing choices and affordability in higher opportunity or income areas, place-based strategies toward community revitalization and displacement protection.</p>	<p>155-166 (163 of 363)  Programs 265-305 (269-309 of 363)</p>	<p>the City’s higher resource / higher income areas. Under Program E-10 (Development and Rehabilitation of Housing for Persons with Disabilities), the City will evaluate and revise standards and procedures related to reasonable accommodation and residential care homes (i.e., group homes). Program F-3 (Place-Based Improvements in Downtown Gilroy) will improve conditions in the City’s R/ECAP area. Program G-2 (Community Outreach and Inclusion in the Decision-Making Process) includes geographic targeting in the R/ECAP area. Similarly, Program G-4 (Increased Outreach in Downtown Areas) directs the city to consider the viewpoints and concerns of all neighborhoods within Gilroy, and specifically the R/ECAP area when drafting Area Plans. Under Program G-7 (Bilingual Engagement), the City will increase Spanish language engagement given the City’s large Hispanic population which is further facilitated by the recent expansion of the City’s bilingual pay benefits, which should increase the number of bilingual staff available to assist the Spanish-speaking community.</p>
<p><u>Program A-6 (ADU Tracking and Monitoring)</u>: While the Program commits to annually track ADU production, it should also track ADU affordability and should include discrete timing and specific commitment if ADU assumptions are not realized such as committing to additional incentives and rezoning within six months.</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Program A-6 (ADU Tracking and Monitoring)</u>: Program A-6 was modified to include the following commitment identifying discrete timing and specific commitments: If the average ADU production is less than 25 units in years 2023, 2024, and 2025, the City will update the ADU strategy by the end of 2026. In this case, the City will hold a focus group event with local stakeholders in spring or fall 2026. The purpose of the collaborative meeting will be to identify appropriate ADU programs to help increase production. If necessary, the City will identify additional RHNA sites in No Net Loss Inventory, as discussed in Program A-1.</p>
<p><u>Quantified Objectives</u>: While the element includes quantified objectives for new construction, rehabilitation, and conservation by income group; it should consider quantified objectives for conservation (beyond at-risk preservation). For your information, the quantified objectives do not represent a ceiling, but rather set a target goal for the City to achieve, based on needs, resources, and constraints.</p>	<p>Goals, Policies, and Programs 263 (271 of 363)</p>	<p><u>Quantified Objectives</u>: Revised Table 86 to include a goal for conservation beyond just preservation numbers.</p>

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<p><u>General Plan Consistency</u>: While the element discusses how internal consistency will be achieved with other elements of the general plan as part of the housing element update, it should also discuss how internal consistency will be maintained throughout the planning period. For example, 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 <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/analysis-consistency-general-plan-and-coastal-zone-requirements">https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/analysis-consistency-general-plan-and-coastal-zone-requirements</a>.</p>	<p>Introduction 1 (9 of 363)</p> <p>Programs 265-305 (269-309 of 363)</p>	<p><u>General Plan Consistency</u>: Program B-11 was added to ensure that consistency between the General Plan and Housing Element is reviewed as part of the Annual Progress Report (APR), prior to April 1<sup>st</sup> of each year. As amendments are made to the General Plan, the City will also review and revise the Housing Element for ongoing consistency.</p>
<p><u>Program E-1 (Priority Water and Sewer Service)</u>: If the City is the water or sewer provider, the Program should specifically commit to establish a written procedure to grant priority service to developments with units affordable to lower-income households. In addition, local governments are required to immediately deliver the housing element to water and sewer service providers.</p>	<p>Programs 265-305 (269-309 of 363)</p>	<p><u>Program E-1 (Priority Water and Sewer Service)</u>: Modified Program E-1 (Priority Water and Sewer Service for Affordable Housing Developments) to specify that the City shall review and update, as necessary, the Water and Sewer Service Priority Policy to ensure future affordable projects will receive service priority. This policy is currently in place. Under Program E-1, the Housing Element will be provided to water and sewer service providers upon adoption.</p>
<p><u>Public Participation</u>: While the element includes a general summary of the public participation process, it must also summarize the public comments and describe how they were considered and incorporated into the element. For additional information, see the Building Blocks at <a href="https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/public-participation">https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/public-participation</a>.</p>	<p>Introduction 1-10 (9 of 363)</p>	<p><u>Public Participation</u>: The public participation process discussion in the Introduction chapter of the Housing Element was expanded to include summaries of public comments and how the comments were considered and incorporated into the Housing Element. Summaries of recent outreach efforts and survey results was also added.</p>