GAVIN NEWSOM, Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



December 8, 2022

Mike Strong, Director Community Development Department City of Escondido 201 North Broadway Escondido, CA 92025

Dear Mike Strong:

RE: Escondido's 6th Cycle (2021-2029) Revised Draft Housing Element

Thank you for submitting the City of Escondido's (City) revised draft housing element received for review on October 18, 2022. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The draft revisions to the element meet the statuary requirements described in HCD's August 2, 2022 review. However, the housing element cannot be found in full compliance until the City has completed necessary rezones (please see below). The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when rezones are completed and the element is adopted, submitted to, and approved by HCD, in accordance with Government Code section 65585.

Pursuant to AB 1398, a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones to make prior identified sites available or accommodate a shortfall of sites pursuant to Government Code sections 65583, subdivision (c)(1)(A) and 65583.2, subdivision (c) are completed. As this year has passed and Programs 1.1 (Sites Inventory and No Net Loss...) and Program 1.3 (By-right Approvals on Reuse Sites) have not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning have been completed. Once the City completes the rezone, a copy of the resolution or ordinance should be transmitted to HCD. HCD will review the documentation and issue correspondence identifying the updated status of the City housing element compliance.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. During the housing element revision process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly

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

As a reminder, since the element relies upon nonvacant sites to accommodate more than 50 percent of the regional housing needs allocation (RHNA) for lower-income households, absent of findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and nonvacant sites will not be utilized toward demonstrating adequate sites to accommodate the RHNA. The City's resolution for the adopted housing element (adopted August 11, 2021) did not include the required findings. Any future re-adoption of the housing element must include the appropriate finding as part of the adoption resolution.

Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory. Please see HCD's housing element webpage at <u>https://www.hcd.ca.gov/community-development/housing-element/index.shtml</u> for a copy of the form and instructions. While the City has already submitted an electronic sites inventory, please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to sitesinventory@hcd.ca.gov.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: https://www.opr.ca.gov/planning/general-plan/guidelines.html. Mike Strong, Director Page 3

HCD appreciates the cooperation and diligence of City staff, Adam Finestone and Veronic Morones, during the review. We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Sohab Mehmood, of our staff, at <u>sohab.mehmood@hcd.ca.gov</u>.

Sincerely,

Paul McDougall Senior Program Manager