DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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October 8, 2019

Karen P. Brust, City Manager City of Encinitas 505 S. Vulcan Avenue Encinitas, CA 92024

Dear Karen Brust:

RE: Encinitas' 5th Cycle (2013-2021) Housing Element Compliance Status

Thank you for submitting correspondence dated September 16, 2019 and associated documentation from the California Coastal Commission (CCC) to the City of Encinitas. In addition, the California Department of Housing and Community Development (HCD) considered comments from Jessica Carilli pursuant to Government Code section 65585, subdivision (c). Pursuant to Gov. Code section 65585, HCD is reporting the results of its review of the CCC's correspondence regarding Encinitas' Local Coastal Plan Amendment (LCPA).

As stated in HCD's April 25 and February 4, 2019 reviews, all approvals necessary to implement appropriate zoning and development standards, including CCC approval of an LCPA, are required to find Encinitas' Housing Element compliant with state Housing Element law (Article 10.6 of the Government Code).

The September 16, 2019 correspondence, and associated documentation satisfy the requirements described in HCD's reviews. As a result, the March 13, 2019 adopted Housing Element complies with state Housing Element law (Article 10.6 of the Government Code).

In addition, the city provided a copy of its filing of a Complaint for Declaratory Relief with the Superior Court of San Diego County. The filing establishes the city met the deadline for its initial committed action under Program 3C: Right to Vote Amendment. HCD looks forward to following the city's progress in fully implementing Program 3C.

The city also provided draft copies of Ordinances 2019-14 (Supportive, Transitional, and Employee Housing), 2019-15 (Reasonable Accommodation), and 2019-16 (Single Room Occupancy Housing). The ordinances demonstrate the city's commitment to provide housing to accommodate all economic segments and special needs groups of its community. HCD commends the city for its actions and encourages timely adoption and implementation in compliance with statutory requirements.

In addition, the element includes several programs with specific actions and timeframes that ensure implementation has a beneficial impact within the planning period. Programs crucial to compliance include:

- Program 2D: Ensure that the Density Bonus Ordinance Continues to be Consistent with State Law
- Program 3A: Establish Parking Standards Appropriate for Different Kinds of Housing
- Program 3B: Modify Regulations that Constrain the Development of Housing
- Program 3C: Right to Vote Amendment
- Program 3D: Rescind Obsolete Growth Management Policies and Programs
- Program 3E: Improve the Efficiency of the Development Review Process for Housing Projects
- Program 3F: Review Nongovernmental Constraints Impeding Development of Approved Housing Projects
- Program 3G: Seek to Create Community Support for Housing at a Variety of Income Levels
- Program 3H: Monitor Adequacy of Development Standards

HCD looks forward to following the city's progress in implementing these programs through reporting in the General Plan annual progress reports required on April 1 of each year pursuant to Gov. Code section 65400.

For your information, some general plan element updates are triggered by Housing Element adoption. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:

http://opr.ca.gov/docs/OPR Appendix C final.pdf and http://opr.ca.gov/docs/Final 6.26.15.pdf.

Additional Technical Assistance

With respect to the interaction of Government Code section 65583.2(h) and state Density Bonus Law:

Gov. Code section 65583.2 (h) states, "...for developments in which at least 20 percent of the units are affordable to lower income households..."

This 20 percent calculation is based upon the total number of units in the development <u>exclusive of additional units</u> provided by a density bonus.

This calculation methodology is consistent with several other pieces of housing laws including Senate Bill 35 Streamlining and the Housing Accountability Act.

Please note Gov. Code section 65588, subd. (e)(4) requires a jurisdiction that failed to adopt its Housing Element within 120 calendar days from the statutory due date to revise its Housing Element every four years until adopting at least two consecutive revisions by the applicable due dates. Once these actions are complete, Encinitas' Housing Element will return to an eight-year update schedule. As Encinitas did not adopt a Housing Element within 120 days of April 30, 2013, it is subject to this requirement. The first opportunity to adopt an on-time four-year update occurs on April 15, 2021, the 6th cycle due date for SANDAG jurisdictions. For more information on Housing Element adoption requirements, please visit our website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375 final100413.pdf

Several federal, state, and regional funding programs consider Housing Element compliance as an eligibility or ranking criteria. For example, CalTrans Senate Bill (SB) 1 Sustainable Communities grants; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and the upcoming SB 2 Planning Grants as well as ongoing SB 2 funding consider Housing Element compliance and/or annual reporting requirements pursuant to Gov. Code section 65400. With a compliant Housing Element, Encinitas meets the Housing Element requirement for these funding sources.

HCD wishes Encinitas success in implementing its Housing Element. If HCD can provide assistance, please contact Robin Huntley of our staff, at (916) 263-7422.

Sincerely,

Zachary Olmstead Deputy Director

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