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



June 29, 2022

Vincent Bertoni, Director Department of City Planning City of Los Angeles 200 North Spring Street, Suite 525 Los Angeles, CA 90012

Dear Vincent Bertoni:

RE: City of Los Angeles 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Los Angeles (City) housing element adopted and received for review on June 14, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Tieira Ryder, Abundant Housing LA, and YIMBY Law pursuant to Government Code section 65585, subdivision (c).

HCD is pleased to find the adopted housing element in full compliance with State Housing Element Law (Article 10.6 of the Gov. Code). The adopted element was found to be substantially the same as the revised draft element that HCD's May 11, 2022, review determined met statutory requirements.

The City must continue timely and effective implementation of all programs including but not limited to the following:

 Affirmatively Furthering Fair Housing (AFFH) – Program 124 (Affirmatively Furthering Fair Housing) includes a summary of programs that are addressing fair housing issues, creating more housing choices and affordability in higher opportunity areas, place-based strategies to promote community revitalization and conservation, enhancing housing mobility, and protecting existing residents from displacement. These actions include but are not limited to rezoning for multifamily housing in higher opportunity and low-density neighborhoods, improving and prioritizing transportation, climate, parks, economic development and infrastructure investments and programs in historically segregated and disinvested communities, and expanding tenant protection programs to address displacement risks.

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- Development on Publicly Owned Sites: The element identified publicly owned land to accommodate 17,891 Regional Housing Needs Allocation (RHNA) units. Program 15 (Public Land for Affordable Housing) commits to facilitating redevelopment on public lands through coordination with other agencies, rezoning to allow affordable housing without discretion, and site-specific outreach and incentives.
- Rezoning to Accommodate the Regional Housing Needs Allocation (RHNA): Program 121 (RHNA Re-zoning), Program 65 (Plan for Housing Growth and Place-Based Strategies in Community Plan Areas) and Program 48 (Update Density Bonus and Other Affordable Housing Incentive Programs) commits to various rezoning strategies, implementation tools, and incentives to accommodate a shortfall of 130,553 units for lower-income and 124,880 units for moderate and above-moderate income households. Among other things, the program commits to permitting owner-occupied and rental multifamily uses byright for developments in which 20 percent or more of the units are affordable to lower-income households.

The City must monitor and report on the results of these and other programs through the annual progress report, required pursuant to Government Code section 65400. Please be aware, Government Code section 65585, subdivision (i) grants HCD authority to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law.

HCD applauds the City for the comprehensive approach to AFFH including rezoning in neighborhoods that were previously inaccessible due to historical land use and zoning policies. These efforts allow for increased access to higher resourced communities for lower-income households. Additionally, the City has committed to a holistic approach to revitalize disinvested communities through key infrastructure and community development improvements. Lastly, the element includes strong analysis and actions to significantly increase housing capacity for all income categories throughout the City with a focus on higher resourced neighborhoods. HCD appreciates the City's commitments and leadership for advancing policies and programs that promote inclusive communities.

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 meets housing element requirements for these and other funding sources.

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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.

HCD appreciates the hard work the housing element team, notably Maya Abood, Matthew Glesne, Claudia Monterrosa, and the rest of the housing element team provided throughout the housing element review. HCD wishes the City success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports pursuant to Government Code section 65400. If HCD can provide assistance in implementing the housing element, please contact Sohab Mehmood, of our staff, at <u>sohab.mehmood@hcd.ca.gov</u>.

Sincerely,

Paul McDougall Senior Program Manager