

**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



May 24, 2022

Pete Carmichael, Director
Community Development Department
City of Irvine
1 Civic Center Plaza
Irvine, CA 92606

Dear Pete Carmichael:

RE: City of Irvine's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Irvine's (City) housing element adopted May 10, 2022 and received for review on May 12, 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.

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 6, 2022 review determined met statutory requirements.

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

- *Program A.3 (Residential Overlays in Non-Residential Areas)*: This program commits the City to establish zoning overlays that allow for multifamily residential in nonresidential areas.
- *Program A.4 (Encourage the Subdivision of Sites that are 10 or More Acres)*: This program commits to the subdivision of six large, publicly-owned sites to create additional affordable housing and commits the City to annual outreach to property owners and review of whether sites reflect the affordability levels for its low-income RHNA targets.
- *Program B.4 (Provide a Menu of Incentives/Concessions for Developers)*: This program provides incentives and concessions to developers by May 10, 2023.
- *Program D.1 (Affordable Housing Preservation/Committed Assistance Program)*: This program commits the City to providing sufficient committed assistance to

affordable property units to preserve units by entering into a legally enforceable agreement by June 30, 2024.

- *Program F.2 (Irvine Community Land Trust)*: This program commits the City to ongoing and proactive coordination with the land trust to identify additional opportunities to acquire and develop properties for affordable housing.
- *Program G.2 (Adopt Ordinances and Policies that Encourage a Diverse Housing Stock)*: This program commits the City to amending its Inclusionary Housing Ordinance by October 2024 and incentivizing ADUs by January 2023.
- *Program L.2 (One Irvine Program)*: This program commits the City to supporting placemaking through various neighborhood revitalization efforts. The City will conduct outreach by January 2023.

The City must monitor and report on the results of this 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.

In addition, the element includes Program A.3 (Residential Overlays in Non-Residential Areas) identifying adequate sites to accommodate the shortfall of 5,337 units for the lower-income RHNA, 3,009 units for the moderate-income RHNA, and 23,588 units for the above-moderate income RHNA by committing to rezone at least 913.9 acres by October 2024. Among other things, the program commits to zoning with densities of 30 units per acre and permit owner-occupied and rental multifamily uses by right for developments in which 20 percent or more of the units are affordable to lower income households.

However, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), Program A.1 (Maintain/Update the Site Inventory)/Program A.3 (Residential Overlays in Nonresidential Areas) must be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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.

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 outstanding efforts and dedication Hitta Mosesman, Vice President, Harris & Associates; Marika Poynter, Principal Planner; and Melissa Chao, Senior Planner, 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 Chelsea Lee, of our staff, at Chelsea.Lee@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager