

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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April 8, 2022

Mark Pulone, City Manager
City of Yorba Linda
4845 Casa Loma Avenue
Yorba Linda, CA 92886

Dear Mark Pulone:

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

Thank you for submitting the City of Yorba Linda's housing element adopted February 9, 2022 and received for review on February 10, 2022, including minor revisions allowed by Yorba Linda Municipal Code Section 18.36.690 and detailed in the City's April 8, 2022 correspondence. 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 with minor revisions addresses the statutory requirements described in HCD's February 4, 2022 review. HCD's finding is based on, among other reasons, a robust rezone to facilitate housing, the commitment to remove certain constraints, and programs to Affirmatively Further Fair Housing (AFFH) which will facilitate housing mobility and create new housing opportunities.

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

- *Program 8 (Housing Opportunity Sites and Rezone Program)*: This program commits the City to rezoning to accommodate its regional housing needs allocation (RHNA), including all by-right provisions and a detailed account of the City's timeline for obtaining voter support for the rezone.
- *Program 8a (Lot Consolidation Program)*: This program commits the City to adopting a Lot Consolidation Ordinance within one year of housing element adoption which provides incentives such as flexible development standards, reduced fees, and streamlined processing. The program also commits to a mid-cycle evaluation and the adoption of additional policies if not meeting stated objectives for housing on small sites.

- *Program 9 (Affordable Housing Overlay)*: This program commits the City to adopting, in 2022, an overlay zone which will provide specific incentives for affordable development, including increased density, heights, and floor area ratios (FARs); ministerial review; and various reduced development standards.
- *Program 10 (Mixed-Use Overlay)*: This program commits the City to adopting, in 2022, an overlay zone which will allow residential development at 35 du/ac and four stories for selected sites.
- *Program 11 (Congregational Land Overlay)*: This program commits the City to adopting, in 2022, an overlay zone which will allow residential development on religious sites and create certain incentives for development.
- *Program 12 (Accessory Dwelling Units (ADUs))*: This program commits the City to waiving ADU plan check and permit fees, providing pre-approved ADU construction plans, and other promotional actions. The City will monitor ADU production and affordability annually, and every two years will evaluate progress and take further specified actions to make sites available if not meeting stated objectives.
- *Program 14 (Measure B)*: This program commits the City to several actions that seek to mitigate and/or remove Measure B as a constraint to housing development. These actions include a Measure B ballot initiative by 2025 which would provide City Council greater discretion in rezoning without further ballot initiatives.
- *Program 18 (Zoning Text Amendments for Special Needs Housing)*: This program commits to various zoning code amendments which will facilitate housing for populations with special housing needs and ensure compliance with State law.
- *Program 20 (Affirmatively Furthering Fair Housing (AFFH))*: This program commits to various specific actions which will AFFH, including but not limited to:
 - Proactive outreach to promote voucher use among landlords who have not previously accepted vouchers, with a focus on the Census Tracts with disproportionate housing needs.
 - Adopting an ordinance and pursuing strategies for affordability in lot splits pursuant to SB 9.
 - Prioritizing CDBG and other funding for accessibility improvements in moderate-resource Census Tracts.
 - Establishing a pilot program to provide low-interest loans to homeowners wishing to develop deed-restricted ADUs.
 - Requiring affordable developers to prepare an affirmative marketing plan to ensure all populations can access new units.

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.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a housing element that was found in compliance within 120 days of the statutory deadline (October 15, 2021), Programs 8, 9, 10 and 11 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.

HCD appreciates the hard work and cooperation provided by Planning Manager, Nate Farnsworth, and consultant Karen Warner, and commends the City's efforts to facilitate new housing through rezones and other meaningful actions. 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 Colin Cross, of our staff, at colin.cross@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager