

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

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May 4, 2020

Rebecca Deming, Director
Community Development Department
City of Desert Hot Springs
65950 Pierson Boulevard
Desert Hot Springs, CA 92240

Dear Rebecca Deming:

RE: Review of the City of Desert Hot Springs' 5th (2013-2021) Draft Four-Year Housing Element Update

Thank you for submitting the City of Desert Hot Springs' (City) draft four-year housing element update received for review on March 6, 2020 along with revisions received on March 30 and April 2, 2020. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on March 19, 2020 with you and the City's consultants, Diana Gonzales and Jose Rodriguez. In addition, HCD considered comments from Inland Counties Legal Services and the Public Interest Law Project pursuant to Government Code section 65585, subdivision (c).

HCD acknowledges the housing element describes and analyzes the City's housing plan as proposed for a general plan update scheduled to be adopted in June 2020. As such, the draft element, incorporating the revisions submitted, meets many of the statutory requirements of state housing element law (Article 10.6 of the Government Code); however, the City must take additional action prior to HCD certification of the housing element as follows:

- The general plan, including the housing element, must be adopted.
- The housing element must be submitted to and reviewed by HCD in accordance with Government Code section 65585, subd.(g).
- Zoning *and* development standards to accommodate the development of housing for lower-income households must be adopted and available to developers. Program 1 (Adequate Sites), Program 6 (Affordable Housing Incentives), Program 7 (Zoning Ordinance Update), and Program 8 (Mixed-Use Development) are

essential to facilitate the development of affordable housing, and zoning must be adopted for the housing element to comply with statutory requirements. To address this requirement, the City could adopt zoning concurrently with the general plan.

- Pursuant to Government Code section 65584.09, the City was required to rezone sites for 3,080 units to accommodate the unaccommodated housing need from the previous planning period. The zoning was required to be completed by October 15, 2014. Since the zoning has not been completed, HCD cannot find the element in compliance until zoning pursuant to the requirements of Government Code section 65583.2, subdivisions (h) and (i), are implemented.
- Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. To date, efforts have been limited and must be improved to address this statutory requirement. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate.
- Chapter 958, Statutes of 2018 (Assembly Bill 686) requires housing elements to include programs that Affirmatively Further Fair Housing (AFFH). The City's programs marginally address this requirement and should be strengthened prior to adoption of the housing element.
- Program 7: Zoning Ordinance Update is crucial to housing element compliance. The element commits to implementing program actions no later than December 2020. HCD will follow the City's implementation progress, including review of the City's Annual Progress Report required pursuant to Gov. Code section 65400 and due on April 1, 2021 for calendar year 2020.

Pursuant to Government Code section 65588, subdivision (e)(4), the City must revise its element every four years until adopting at least two consecutive revisions by the applicable due dates. The City's four-year update was due October 2017. Since this element, the City's four-year update, is late, the next opportunity to adopt on time will be on or before the due date for the 6th planning cycle housing element update.

In addition, the City has a shortfall of adequately-zoned sites to accommodate 946 units of housing affordable to lower-income households from their 5th cycle housing need. Be advised, timeframes imposed pursuant to Government Code section 65583, subdivision (c)(1)(A), have elapsed; therefore, the provisions of Government Code section 65583, subdivision (g), apply until rezoning is complete. All sites included in Appendix H-A: Sites Inventory Table are subject to these provisions.

Specifically, Government Code section 65583, subdivision (g), states a local government may not disapprove a housing development project, nor require a conditional use permit, planned unit development permit, or other locally imposed discretionary permit, or impose a condition that would render the project infeasible, if the housing development project:

- Is proposed to be located on a site required to be rezoned, and
- Complies with the applicable objective general plan and zoning standards and criteria, including design review standards, described in the rezone program action.

In addition, any subdivision of sites shall be subject to the Subdivision Map Act and design review shall not constitute a “project”. Noncompliance with these requirements and other requirements of state law creates the risk of the jurisdiction being subject to lawsuit and court order to compel action and compliance.

Some general plan element updates are triggered by housing element adoption. HCD reminds the City to incorporate these requirements into their June 2020 general plan update. 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.

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; SB 2 Planning Grants as well as ongoing SB 2 funding (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 dedication you and the City’s consultants have shown in preparing the City’s housing element and looks forward to receiving the City’s adopted housing element. If you have any questions or need additional technical assistance, please contact Robin Huntley, of our staff, at (916) 263-7422.

Sincerely,



Shannan West
Land Use & Planning Manager