DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 651 Bannon Street, Suite 400 Sacramento, CA 95811 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



June 24, 2025

Aly Zimmermann, City Manager City of Rocklin 3970 Rocklin Road Rocklin, CA 95677

RE: Revocation of Housing Element Compliance Finding – City of Rocklin

Dear Aly Zimmermann:

The California Department of Housing and Community Development (HCD) is hereby notifying the City of Rocklin (City) that HCD has revoked, as of the date of this letter, its November 29, 2021 finding that the City's housing element is in substantial compliance with Housing Element Law.¹ The City adopted its housing element on August 26, 2021.

On October 16, 2024, HCD issued the City written findings that the City had failed to implement Program 10 (Inventory of Sites for Housing/Rezone,) included in its housing element pursuant to Government Code section 65583, and that this failure brought the City's housing element out of substantial compliance with Housing Element Law. Program 10 committed to rezoning 159.91 acres to accommodate the lower-income Regional Housing Needs Allocation (RHNA) and 77.75 acres to accommodate the moderate-income RHNA before the statutory due date of September 15, 2024. HCD provided the City with 30 days to respond to HCD's written findings pursuant to Government Code section 65585, subdivision (i)(1)(A).

On November 12, 2024, HCD received the City's response to HCD's written findings. Additional documentation requested by HCD regarding the City's rezones was received on January 23, 2025 and March 3, 2025. HCD has determined that, while the City has completed a portion of its required housing element rezones to meet its lower-income RHNA through Ordinance No. 1183, Resolution No. 2024-273, and Resolution No. 2024-274, there remains a lower-income RHNA shortfall of approximately 968 units. The City's response therefore does not demonstrate implementation of Program 10.

¹ Gov. Code, § 65580 et seq.

Therefore, HCD finds that the City's housing element is no longer in substantial compliance with Housing Element Law. Consequently, HCD is revoking its finding of the City's housing element compliance, as authorized by Government Code section 65585, subdivision (i)(1)(C). HCD's determination of non-compliance will remain in effect until the City completes the required rezone actions in Program 10, the City transmits a copy of the resolution or ordinance to HCD, and HCD reviews the documentation and issues correspondence to the City identifying the updated status of the City's housing element compliance.

Additionally, HCD understands that the City is in the process of identifying different candidate sites to be rezoned than those identified in the adopted housing element to meet the City's lower-income RHNA. As this would constitute a substantive change to the City's adopted housing element, the City must revise its housing element to provide an updated sites inventory analysis and address any impacts on the City's duty to Affirmatively Further Fair Housing (AFFH). As the City wishes to adopt a revised housing element simultaneously with the required rezones to meet its RHNA shortfall, pursuant to Government Code section 65585, subdivision (b), the City must submit draft revisions to HCD for review prior to adoption. HCD is available to provide technical assistance and will expedite its review where possible to ensure that the City remains on schedule to adopt its required housing element revisions and rezones anticipated by the end of this summer.

Because the City no longer has a housing element that substantially complies with Housing Element Law, the City is now subject to the "Builder's Remedy"² and is ineligible for certain state funds. In addition, the City may be subject to referral to the California Office of the Attorney General, court-imposed penalties, and the loss of local land use authority to a court-appointed agent.³

HCD is committed to assisting all localities in achieving and retaining substantial compliance with Housing Element Law. If you have questions or need additional information, please contact Reid Miller at <u>reid.miller@hcd.ca.gov</u>.

Sincerely,

David Zisser Assistant Deputy Director Local Government Relations and Accountability

² Gov. Code, § 65589.5, subds. (d)(6), (f)(6), (h)(11).

³ Gov. Code, § 65585, subds. (j), (l)(1).