

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

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April 11, 2024

Reena Brilliot, Acting Director
Community Development Department
City of Santa Clara
1500 Warburton Ave
Santa Clara, CA 95050

Dear Reena Brilliot:

RE: City of Santa Clara's 6th Cycle (2023-2031) Revised Draft Housing Element

Thank you for submitting the City of Santa Clara's (City) revised draft housing element received for review on March 27, 2024. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review. The review was facilitated by various conversations in January and March 2024. In addition, HCD considered comments from Housing Action Coalition, Charities Housing, Silicon Valley at Home, The Core Companies and Freebird Development, pursuant to Government Code section 65585, subdivision (c).

HCD is pleased to find the revised draft housing element meets the statutory requirements of State Housing Element Law (Gov. Code, § 65580 et seq.). However, the housing element cannot be found in substantial compliance until the City has completed necessary rezones as described below. The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when rezoning is complete and the element is adopted, submitted to and approved by HCD, in accordance with Government Code section 65585.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City did not adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), programs (e.g., Action 9(a)(4) (Zoning Ordinance)) to make prior identified sites available or address a shortfall of capacity to accommodate the regional housing need allocation (RHNA), pursuant to Government Code sections 65583, subdivision (c)(1)(A) and 65583.2, subdivision (c), must be completed no later than one year from the statutory deadline. As this year has passed and Action 9(a)(4) (Zoning Ordinance) has not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning has been completed.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. 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. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

For your information, since the housing element relies upon nonvacant sites to accommodate more than 50 percent of the RHNA for lower-income households, it must demonstrate that existing uses are not an impediment to additional residential development in the planning period (Gov. Code, § 65583.2, subd. (g)(2)). Absent findings (e.g., adoption resolution), based on substantial evidence, the existing uses will be presumed to impede additional residential development and will not be utilized toward demonstrating adequate sites to accommodate the RHNA.

As a reminder, pursuant to Government Code section 65583.3, the City must submit an electronic sites inventory with its adopted housing element. The City must utilize standards, forms, and definitions adopted by HCD. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/planning-and-community-development/housing-elements> for a copy of the form and instructions. The City can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

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 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 will meet housing element requirements for these and other funding sources.

HCD appreciates the hard work and dedication the housing element team provided throughout the housing element review and update. If you have any questions or need additional technical assistance, please contact Jose Armando Jauregui, of our staff, at Jose.Jauregui@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager