

**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 31, 2024

Jövan D. Grogan, City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, Ca 95050

Dear Jövan D. Grogan:

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

Thank you for submitting the City of Santa Clara's (City) housing element that was adopted on May 7, 2024, and received for review on May 9, 2024, along with edits received on May 31, 2024. These edits were authorized by Resolution 24-9324. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Heritage Land Company and Holland and Knight pursuant to Government Code section 65585, subdivision (c).

HCD is pleased to find the adopted housing element, including edits, in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et. seq.) as of the date of this letter. The adopted element was found to be substantially the same as the revised draft element that HCD's April 11, 2024 review determined met statutory requirements. This finding is based on, among other things, permitting housing developments with 20 affordability without discretionary action on sites identified in prior planning period (Action 9 – Zoning Amendments). These procedures are in effect as of date of adoption of the housing element (May 7, 2024) and will be further implemented in pending zoning amendments. Finally, the City should post the final adopted element, with edits, and send a link to HCD for confirmation.

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

- Action 1 (Provision of a Variety of Housing types)
- Action 2 (Affordable Housing Ordinance)
- Action 3 (Affordable Housing Incentives and Facilitation)
- Action 5 (Preservation of Assisted Rental Housing & NOAH)
- Action 6 (Acquisition of Multi-Family Housing)
- Action 9 (Zoning Ordinance)

- Action 10 (Adequate Sites Inventory)
- Action 13 (Residential Displacement)
- Action 17 (Homeless Services)
- Action 18 (Shared Housing)
- Action 19 (Tasman East Specific Plan Amendment)
- Action 21 (Place-Based Strategies)

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.

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 now meets housing element requirements for these and other funding sources.

HCD appreciates the dedication and work that was put into the housing element update and review process. HCD particularly commends the leadership and collaboration of the City staff in taking significant steps towards addressing the housing needs of the community. 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 Jose Armando Jauregui, of our staff, at Jose.Jauregui@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager