

**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



January 6, 2023

Dominic Lazzaretto, City Manager
City of Arcadia
240 West Huntington Dr.
P.O. Box 60021
Arcadia, CA 91066

Dear Dominic Lazzaretto:

RE: Arcadia's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Arcadia's (City) adopted housing element adopted November 1, 2022 and received for review on November 9, 2022. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The adopted housing element meets most of the statutory requirements of State Housing Element Law (Gov. Code, Article 10.6). However, the housing element cannot be found in full compliance until the City has completed necessary rezones to address the shortfall of sites to accommodate the regional housing needs allocation (RHNA) pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021).

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline (October 15, 2021) cannot be found in compliance until rezones to accommodate a shortfall of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) are completed. As this year has passed and Programs 5-7 (Expansion of the Downtown Mixed-Use Area to Permit Residential Uses), 5-8 (Establish an Overlay in the Downtown Mixed-Use Area to Permit Residential Uses), 5-9 (Increase Residential Density of the Mixed-Use Zone), 5-10 (Expand and Update the Residential Flex Overlay in the Las Tunas Corridor), 5-11 (Expand and Update the Residential Flex Overlay in the Live Oak Corridor), 5-12 (Establish an Overlay to Permit Residential Uses in the Commercial General Zone), 5-13 (Increase Density of the R-3 Zone), 5-14 (Develop a Specific Plan for the Arcadia Golf Course), and 5-18 (Candidate Sites Used in Prior Housing Element Planning Cycle) have not been completed, the housing element is out

of compliance and will remain out of compliance until the rezoning have been completed. Once the City completes the rezones, a copy of the resolution or ordinance should be transmitted to HCD. HCD will review the documentation and issue correspondence identifying the updated status of the City's housing element compliance.

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

- Program 5-14 (Develop a Specific Plan for the Arcadia Golf Course): Among other things the program commits to facilitating all necessary steps to ensure that at least 80 of the units developed on site will be affordable to low and very low income households pursuant to the capacity of the sites inventory.
- Program 5-16 (Housing Density Bonus): This program will update the City's density bonus ordinance to comply within 12 months of adoption of the housing element (November 2023).
- Program 5-17 (ADU and JADU Incentive and Monitoring Program): The program commits to providing incentives for ADUs as well as monitoring ADU production and affordability every two years to ensure development assumptions are being met.
- Program 5-24 (Employee Housing, Emergency Shelters, Transitional, and Supportive Housing): The element commits to updating the municipal code to comply with employee housing, emergency shelter, and transitional and supportive housing requirements within 12 months of adopting the housing element (November 2023).
- Program 5-31 (Fair Housing): This program includes Table 10 to describe meaningful actions being taken to affirmatively further fair housing including, but not limited to, revising the City's reasonable accommodation procedure, adopt code amendments for supportive housing and low barrier navigation centers, and providing fair housing outreach and information.
- Program 5-34 (Mitigating Constraints to Housing Choice for Persons with Disabilities): This program commits to revising the City's definition of family as well as ensuring residential care facilities serving seven or more residents will be allowed in all zones allowing residential uses with objective criteria to facilitate approval certainty. This action will be complete within 12 months of adopting the housing element (November 2023).
- Program 5-35 (Mitigating Constraints for the Development of Affordable Housing Projects): This program commits to revising existing parking standards for smaller unit types and multifamily developments by November 2025.

As noted in the element on Table A-1, the City lacks a buffer of site capacity to accommodate its lower-income RHNA. Pursuant to Government Code section 65863, local governments must ensure the inventory of sites accommodate the regional housing need by income throughout the planning period of the element. In addition, no

local government action shall reduce, require or permit the reduction of the residential density for any parcel, or allow development of any parcel, at a lower residential density by income category than identified in the site inventory or program unless the local government makes written findings. The required findings must demonstrate the reduction is consistent with the adopted general plan, including the housing element and the remaining sites identified in the housing element are adequate to accommodate the jurisdiction's share of the regional housing need.

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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at:
<https://www.opr.ca.gov/planning/general-plan/guidelines.html>

We are committed to assist the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Jamillah Williams, of our staff, at
Jamillah.Williams@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a stylized flourish at the end.

Melinda Coy
Proactive Housing Accountability Chief