

Attachment 6

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

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February 24, 2023

Debra D. Rose, City Manager
City of Lake Forest
100 Civic Center Dr.
Lake Forest, CA 92630

Dear Debra Rose:

RE: City of Lake Forest's 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Lake Forest's (City) housing element that was adopted on January 3, 2023 and received for review on January 6, 2023 along with technical modifications authorized by Resolution 2023-02. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review. This review was expedited to enable the jurisdiction to meet funding criteria for the Permanent Local Housing Allocation (PLHA) Program.

HCD is pleased to find the adopted housing element in full compliance with State Housing Element Law (Article 10.6 of the Gov. Code). The adopted element, along with technical modifications, address the statutory requirements described in HCD's October 21, 2022 review.

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

- Program 1: Land Use Policy and Development Capacity (Shortfall Program)
- Program 5: Facilitate Affordable and Special Needs Housing
- Program 7: Zoning Code Amendments – Housing Constraints
- Program 8: Accessory Dwelling Units
- Program 22: Affirmatively Furthering Fair Housing

The element includes Program 1 (Shortfall Program) that rezones sites for 1,847 units. Additionally, Policy 1.8 (Use of Previous Cycle Sites) provides for the development of sites to accommodate the regional housing needs allocation and have been identified in the previous cycle(s). These programs enable sites with appropriate densities, allow for projects with 100 percent residential uses and permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are

affordable to lower-income households. These provisions are now effective with the City's adoption of the housing element on January 3, 2023.

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

HCD appreciates the hard work, diligence, and commitment the housing element update team, including the City's consultant, Amanda Tropiano, provided in the preparation of the City's housing element. HCD wishes the City success in implementing its housing element and looks forward to following its progress the General Plan annual progress reports pursuant to Government Code section 65400. If HCD can provide assistance in implementing the housing element, please contact Mashal Ayobi, of our staff, at mashal.ayobi@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager