DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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September 18, 2020

Bruce Buckingham, Director Community Development Department City of Grover Beach 154 8th Street Grover Beach, CA 93433

Dear Bruce Buckingham:

RE: Review of the City of Grover Beach's 6th Cycle (2020-2028) Draft Housing Element

Thank you for submitting the City of Grover Beach's (City) draft housing element received for review on July 28, 2020 along with revisions received on September 4 and September 14, 2020. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a telephone conversation on August 27, 2020 with you and Janet Reese, Associate Planner, and the City's consultants Amy Sinsheimer and Nicole West.

The draft element, incorporating the revisions submitted, meets the statutory requirements of State Housing Element Law. This finding was based on the City's commitment to complete rezoning concurrently or prior to adoption of the housing element. However, adoption must occur prior to the 6th cycle due date of December 31, 2020. If rezoning is not implemented by this time, shortfall rezoning pursuant to the requirements of Government Code section 65583.2, subdivisions (h) and (i), will apply. This finding was also based on the City's commitment to expanding and monitoring Accessory Dwelling Unit (ADU) production in the City to accommodate its Regional Housing Needs Allocation (RHNA) for lower-income households. The ADU monitoring program commits to track ADU production and affordability levels, and to review, evaluate, and revise its strategies to accommodate RHNA if production projections are not achieved proportionally at mid-cycle. The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when it is adopted, submitted to, and approved by HCD, in accordance with Government Code section 65585, subdivision (q).

To remain on an eight-year planning cycle, the City must adopt its housing element within 120 calendar days from the statutory due date of December 31, 2020 for San Luis Obispo Council of Governments localities. If adopted after this date, Government Code section

65588, subdivision (e)(4), requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit our website at: http://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/sb375 final100413.pdf.

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.

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: http://opr.ca.gov/docs/OPR Appendix C final.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

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.

HCD appreciates the hard work and dedication the City's housing element team provided, in preparation of the City's housing element and looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact Reid Miller, of our staff, at (916) 263-2707.

Sincerely,

Shannan West

Land Use & Planning Unit Chief