GAVIN NEWSOM, Governor

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



September 9, 2022

Alicia Velasco, Planning Director Department of Community Development City of Cypress 5275 Orange Ave Cypress, CA, 90630

Dear Alicia Velasco:

RE: City of Cypress 6th Cycle (2021-2029) Adopted Housing Element

Thank you for submitting the City of Cypress housing element adopted June 27, 2022, and received for review on July 12, 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.

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 addresses the statutory requirements described in HCD's May 13, 2022 review.

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

- Program 12–Residential and Mixed-Use Sites Inventory: This program commits to rezoning adequate sites to accommodate the shortfall of 1,867 units including 1,475 units for lower-income households and 393 units for moderate and above moderate-income households. The program includes detailed implementation timeline to obtain voter approvals for the rezone including alternative strategies in the event the City does not obtain a voter approval. This includes rezoning for at least 60 acres within 18 months of the housing element adoption. Among other things, the program commits to zoning with densities of 30 units per acre 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.
- Program 17–Efficient Project Processing: To promote and facilitate multifamily housing, the element commits to removing the conditional use permit (CUP) requirement for multifamily projects with four or more units in the RM-15 and RM-20 zones and developing objective design standards within 18 months of housing element adoption.

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• *Program 20–Affirmatively Further Fair Housing:* The element commits to a variety of meaningful actions to address fair housing issues and foster inclusive communities including but not limited to prioritizing infrastructure and recreational investments in census tracts with a concentration of fair housing issues.

The City must monitor and report on the results of this 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.

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: <u>https://www.opr.ca.gov/planning/general-plan/guidelines.html</u>.

HCD appreciates the responsiveness and hard work of Alicia Velasco, Planning Director; Veronica Tam and Laura Vander Neut from Veronica Tam and Associates, Inc. provided throughout the housing element review. 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 Mashal Ayobi, of our staff, at Mashal.Ayobi@hcd.ca.gov.

Sincerely,

Paul McDougall Senior Program Manager