

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

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October 24, 2023

Dan Buckshi, City Manager
City of Walnut Creek
1666 North Main Street
Walnut Creek, CA 94596

Dear Dan Buckshi:

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

Thank you for submitting the City of Walnut Creek's housing element which was adopted January 24, 2023 along with authorized modifications received August 25, 2023 and October 20, 2023. All technical modifications were authorized by Resolution Numbers 23-07, 23-24 and 23-52 and were made available to the public for seven days before HCD's review. The City confirmed the technical modifications are consistent with the direction and authority granted by the Resolutions. In addition, the California Department of Housing and Community Development (HCD) considered comments from Housing Action Coalition, David Kellogg and East Bay for Everyone as well as responses from the City. Pursuant to Government Code section 65585, HCD is reporting the results of its review.

HCD is pleased to find the adopted housing element, including all technical modifications, in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq) as of the date of this letter. The adopted element, including all technical modifications, meets the requirements described in HCD's March 27, 2023 review.

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

- Program H-1.A (Accessory Dwelling Units)
- Program H-2.N (Assist with Development of Affordable Housing)
- Program H-2.Q (Faith-Based Properties)
- Program H-2.R (Amend Density Bonus Ordinance)
- Program H-2.S (Previous Site Inventory)
- Program H-4.B (Reduce Parking Requirements)
- Program H-4.C (Special Needs Zoning)
- Program H-4.G (Amend the General Plan to Remove Policy 9.3)
- Program H-4.H (Definition of Family)
- Program H-4.I (Planned Development Permits)

- Program H-4.J (Measure A Outreach and Review)
- Program H-4.K (Building Envelope Analysis)
- Program H-6.J (Housing Mobility)
- Program H-6.K (Mid-Cycle Review)

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City failed to adopt a compliant housing element within 120 days of the statutory deadline (January 31, 2023), programs to rezone and make prior identified sites available or address a shortfall of capacity to accommodate the regional housing need allocation (RHNA) (e.g., Program H-2.S) must be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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 program, 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 put into the housing element update and review process. HCD also applauds the leadership and collaboration of the City taking meaningful steps towards compliance. HCD wishes the City of Walnut Creek 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 Jed Hackett at Jed.Hackett@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager