

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

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April 25, 2024

Jeff Maltbie, City Manager
City of San Carlos
600 Elm Street
San Carlos, CA, 94070

Dear Jeff Maltbie:

RE: City of San Carlos 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of San Carlos (City) housing element that was adopted on January 23, 2023. Modifications to the adopted element were received on April 19, 2024. The modifications to the adopted housing element were authorized by Resolution Number 2023-008 and made available to the public prior to review. Pursuant to Government Code section 65585, 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, including modifications in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq) as of the date of this letter. The adopted element addresses the statutory requirements described in HCD's October 24, 2023, review. A copy of the adopted housing element, including modifications, should be posted and available to the public and sent to HCD for confirmation.

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

- Program HOU-2.1 (Small Lot and Lot Consolidation Incentives – Citywide)
- Program HOU-2.2 (Small Lot and Lot Consolidation Incentives – Downtown)
- Program HOU-3.1 (Special Needs and Extremely-Low Income Households)
- Program HOU-3.2 (Below Market Rate Ordinance)
- Program HOU-3.3 (Facilitate Accessory Dwelling Units)
- Program HOU-3.8 (Replacement of Units)
- Program HOU-3.9 (Development on Nonvacant Sites)
- Program HOU-3.13 (City's Density Bonus)
- Program HOU-4.1 (Adequate Sites to meet the RHNA)
- Program HOU-4.2 (Zoning Ordinance Revisions)
- Program HOU-4.3 (Objectivity and Streamlining in Development Regulations)

- Program HOU-4.5 (Development Standards to Achieving Maximum Densities)
- Program HOU-5.1 (Emergency Shelters, Supportive and Transitional Housing)
- Program HOU-5.3 (Residential Care Facilitates and Group Homes)
- Program HOU-6.1 (Affirmatively Furthering Fair Housing) including all associated actions and programs listed within this program.

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 collaboration and dedication that Lisa Porrás, Al Savay, Adam Aronson and the rest of the housing element team provided throughout the housing element update and 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 Sohab Mehmood, of our staff, at sohab.mehmood@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager