

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

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February 2, 2023

Tom Weiner, City Manager
City of Walnut
21201 La Puente Road
Walnut, CA 91789

Dear Tom Weiner:

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

Thank you for submitting the City of Walnut's (City) housing element adopted on March 23, 2022 and received for review on December 7, 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.

The revised adopted element addresses several statutory requirements described in HCD's July 1, 2022, review; however, revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code). The revisions needed are as follows:

1. *Affirmatively further[ing] fair housing (AFFH) in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)

As noted on prior reviews, goals and actions must significantly seek to overcome contributing factors to fair housing issues and include related metrics or numerical targets. Program 12 (Affirmatively Further Fair Housing (AFFH)) was revised to include a timeline and outcomes; however, the element should include additional actions with specific commitments, metrics, and milestones as appropriate to enhancing housing mobility to encourage the development of more housing choices and affordable housing in an inclusive manner throughout the community.

In addition, to have a beneficial impact in the planning period and address the goals of the housing element the following programs need to be revised to include a metric and geographic targeting area: Program 4 (Housing Choice Voucher), Program 5 (Collaboration with Housing Developers), Program 6 (Supportive Services for Homeless and Persons with Special Needs), Program 10 (Homebuyer Assistance). For example, Program 4 (Housing Choice Voucher) could be revised to include a metric (i.e., increase housing choice voucher by 10 percent throughout the community). In addition, Program 8 (Code Enforcement) should include a geographic targeting area (e.g., identify where information materials will be distributed).

2. *The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).)*

Program 5 was revised to include commitments to assist in the development of affordable housing, however the timeline for the commitments indicates the expected date of completion to be December 2022. If not completed, the element should be revised to update the timelines for implementation.

3. *Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort. (Gov. Code, § 65583, subd. (c)(9).)*

While the element included additional information on the public participation, it should still summarize public comments and describe how they were considered and incorporated into the element.

The element will meet statutory requirements of State Housing Element Law once it has been revised and re-adopted to comply with the above requirements.

Please note, pursuant to resolution No. 22-10, it appears the rezones for the R-4 Medium-High (MH) and R-5 High (H) Residential Land Use Designations to accommodate the lower-income Regional Housing Needs Allocation (RHNA) have been adopted. However, it is not clear if the R-4 and R-5 zones meet all the by-right requirements as established in Program 1 (Provision of Adequate Sites). Rezoning programs to accommodate the RHNA for lower-income households must meet all requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). Examples include non-discretionary approval, requiring minimum densities, permitting at least 16 units per site and residential performance standards. Please note, the element cannot be found in compliance until documentation is transmitted to HCD that all requirements have been established.

In addition, while resolution No. 22-10 states that based on conditions of existing uses, age of structures, recent and projected development trends, expressed interests from property owners and developers, the existing uses are not considered impediments to residential development during the period covered by the housing element, it must also clarify if uses are likely to discontinue in the planning period.

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 will meet housing element requirements for these and other funding sources.

HCD is committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Fidel Herrera, of our staff, at fidel.herrera@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager