

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

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May 23, 2024

Jarad Hildenbrand, City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Dear Jarad Hildenbrand:

RE: City of Laguna Hills' 6th Cycle (2021-2029) Adopted Housing element

Thank you for submitting the City of Laguna Hills' (City) housing element that was adopted on March 26, 2024 and received for review on March 27, 2024. In addition, the California Department of Housing and Community Development (HCD) received Ordinance Number 2024-1 and Ordinance Number 2024-2 for review. In addition, HCD considered comments from Welcoming Neighbors Home pursuant to Government Code section 65585, subdivision (c). Pursuant to Government Code section 65585, HCD is reporting the results of its review.

HCD is pleased to find the adopted housing element in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et. seq.) as of the date of this letter. The adopted element was found to be substantially the same as the revised draft element that HCD's May 8, 2023 review determined met statutory requirements. This finding is based on, among other things, completion of Program H-11 (2021-2029 Regional Housing Need) to rezone and make sites available to accommodate the regional housing need allocation.

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

- Program H-7 (Zoning Ordinance Update)
- Program H-8 (Accessory Dwelling Units)
- Program H-9 (SB 2 Grant Program Implementation)
- Program H-11 (2021-2029 Regional Housing Need)
- Program H-14 (Displacement Prevention and Mitigation)
- Program H-15 (Affordable Housing Developer Partnerships)
- Program H-16 (Fair Housing Program)
- Program H-21 (Facilitating Housing on Identified Sites)

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 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.

HCD appreciates the efforts and cooperation that the City's housing element team provided throughout both the Housing element update and review and ordinance adoption. HCD wishes City success in implementing its Housing element and looks forward to following its progress through the General plan annual progress reports required pursuant to Government Code section 65400. If HCD can provide assistance in implementing the Housing element, please contact Jose Ayala, of our staff, at Jose.Ayala@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager