

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

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September 13, 2022

Jennifer M. Cervantez, City Manager
City of Rancho Santa Margarita
22112 El Paseo
Rancho Santa Margarita, CA, 92688-2824

Dear Jennifer M. Cervantez:

RE: City of Rancho Santa Margarita (2021-2029) Adopted Housing Element

Thank you for submitting the City of Rancho Santa Margarita's (City) housing element adopted August 24, 2022 and received for review on August 25, 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 was found to be substantially the same as the revised draft element that HCD's July 26, 2022 review determined met statutory requirements

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

- Program 1: Shortfall program
- Program 3: Accessory Dwelling Units
- Program 10: Affordable Housing Development
- Program 11: Density Bonus
- Program 12: California Accessibility Standards Compliance Program
- Program 14: Zoning Code Amendments
- Program 18: Expand Housing Opportunities
- Program 19: Affirmatively Further Fair Housing

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 of Rancho Santa Margarita now meets housing element requirements for these and other funding sources.

HCD appreciates the effort and dedication of the housing element update team throughout the housing element review. HCD wishes the City of Rancho Santa Margarita 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 Anthony Errichetto, of our staff, at anthony.errichetto@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager