

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

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May 11, 2012

Mr. Jaime M. Fontes
City Manager
City of Santa Paula
970 Ventura Street
Santa Paula, CA 93060

RECEIVED
ADMINISTRATION
MAY 16 2012
CITY OF SANTA PAULA

Dear Mr. Fontes:

RE: Review of the City of Santa Paula's Adopted Housing Element

Thank you for submitting Santa Paula's housing element adopted April 16, 2012 and received for review on April 23, 2012. The Department is required to review adopted housing elements and report the findings to the locality pursuant to Government Code Section 65585(h).

The Department is pleased to find the housing element in full compliance with State housing element law (Article 10.6 of the Government Code). The Department's review found the adopted element to be substantially the same as the revised draft element reviewed by the Department on April 6, 2012 and determined to comply with statutory requirements.

Programs 15 (Adequate Sites), 16 (Annexation) and 19 (Density Bonus) are crucial to demonstrate adequate sites to accommodate the regional housing need and encourage the development of housing affordable to lower-income households. As a result, the City should monitor and report on the status of these Programs through the annual progress report, required pursuant to Government Code Section 65400. If these Programs are not effective in encouraging housing development affordable to lower-income households or making sites available for development, the element should be amended to identify alternative strategies and sites. For example, if the Housing Opportunities Overlay is not adopted as described, alternative strategies should be adopted to provide sufficient opportunities for development within the planning period.

The Department is pleased to report the City now meets specific requirements for several State funding programs designed to reward local governments for compliance with State housing element law. For example, the Housing Related Parks (HRP) Program, Local Housing Trust Fund and the Building Equity and Growth in

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Neighborhoods (BEGIN) Programs include housing element compliance either as a threshold or competitive factor in rating and ranking applications. Details about these and other programs are available at this website at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hecompl011708.pdf.

Specifically, the HRP Program, authorized by Proposition 1C, is an innovative new Program rewarding local governments for the approval of housing for lower-income households and provides grant funds to eligible local governments for every qualifying housing start, beginning calendar year 2010. Additional information on the HRP Program can be obtained from this website <http://www.hcd.ca.gov/hpd/hrpp/>.

The Department appreciates the cooperation and assistance provided by Ms. Janna Minsk, Planning Director, throughout the course of the housing element review. We wish Santa Paula success in implementing their housing element and look forward to following its progress through the General Plan annual progress reports pursuant to Government Code Section 65400. If the Department can provide assistance in implementing the housing element, please contact Paul McDougall, of our staff, at (916) 322-7995.

Sincerely,

A handwritten signature in blue ink that reads "Glen A. Campora". The signature is written in a cursive style with a large initial 'G'.

Glen A. Campora
Acting Deputy Director