

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

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March 30, 2023

Ron Bow, City Manager
City of Monterey Park
320 West Newmark Avenue
Monterey Park, CA 91754

Dear Ron Bow:

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

Thank you for submitting the City of Monterey Park's (City) housing element that was adopted on January 19, 2022 and received for review on March 23, 2023 along with technical modifications authorized by Resolution 2022-03. 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 substantial compliance with State Housing Element Law (Article 10.6 of the Gov. Code). The adopted element, along with technical modifications, address the statutory requirements described in HCD's January 31, 2023 review.

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

- *Affirmatively Furthering Fair Housing (AFFH)*: The element provided a suite of actions and measurable metrics to remove barriers to higher resourced and higher income areas, place-based strategies for community revitalization and conservation while protecting residents from displacement. These programs include Program 1 (Rehab), Program 4 (Special Needs), Program 7 (MPMC), Program 12 (ADU), Program 13 (Replacement Housing), Program 17 (Fair Housing and Tenant/Landlord Counseling), Program 19 (AFFH), Program 21 (Fair Housing).
- *Addressing Constraints to the Development of Housing*: The element is proposing to modify development standards, zoning and provide incentives to facilitate housing production. These programs include Program 5 (Flexibility in Development...) and Program 11 (Mixed-Use Sites).
- *Reducing Parking Requirements*: To reduce parking requirements, the City will be implementing Program 5 (Flexibility in Development...) by March 2024.
- *Accommodating the Regional Housing Needs Allocation (RHNA)*: To accommodate and facilitate development in meeting the RHNA, the City will be implementing Program 6 (Lot Consolidation), Program 7 (MPMC), Program 10

(Previously Identified Sites) Program 12 (ADU), Program 13 (Replacement Housing).

The element includes Program 7 (MPMC) that rezones sites for 5,213 units including 2,323 units for lower-income households. Additionally, Program 10 (Previously Identified Sites) provides for the development of sites to accommodate the regional housing needs allocation and that have been identified in the previous cycles(s). These programs enable sites with appropriate densities, allow for projects with 100 percent residential uses and permit owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. These provisions are now effective with the Program 7 and 10 and the City's adoption of the housing element on January 19, 2023.

Please note that the programs listed above were essential for the City to receive housing element compliance. HCD will be closely monitoring the City's housing element implementation efforts throughout the planning period including key milestones, deadlines, and annually for compliance with housing element law. 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.

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 hard work, diligence, and commitment Jessica Serrano and Steven Sizemore provided in the preparation of the City's housing element. HCD wishes the City success in implementing its housing element and looks forward to following its progress 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