

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

2020 W. El Camino Avenue, Suite 500

Sacramento, CA 95833

(916) 263-2911 / FAX (916) 263-7453

www.hcd.ca.gov

July 26, 2022

Cheryl Kuta, Director
Community Development Department
City of Rancho Santa Margarita
22112 El Paseo
Rancho Santa Margarita, CA 92688

Dear Cheryl Kuta:

**RE: City of Rancho Santa Margarita's 6th Cycle (2021-2029) Revised
Draft Housing Element**

Thank you for submitting the City of Rancho Santa Margarita's (City) revised draft housing element received for review on June 16, 2022, along with revisions received on July 22, 2022. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

The revised draft element, incorporating the revisions submitted, meets the statutory requirements of State Housing Element Law, as described in HCD's April 11, 2022 review. The housing element will comply with State Housing Element Law (Article 10.6 of the Gov. Code) when it is adopted, submitted to, and approved by HCD, in accordance with Government Code section 65585.

For your information, pursuant to Senate Bill 197 (Chapter 70, Statutes of 2022), as the City did not adopt a compliant housing element within 120 days of the statutory deadline (October 15, 2021), as of this writing, any rezoning must be completed within one year of the statutory deadline (October 15, 2022). However, if the City's adopted element is found in compliance by October 15, 2022, the City may maintain its scheduled rezone deadline of October 2024 (Program 1). HCD encourages the City to adopt and submit its housing element by August 15, 2022 to ensure completion of the review of the housing element by the October 15, 2022. If the element is not found in compliance by October 15, 2022, HCD cannot find the element in compliance until the rezoning is complete.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that

represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate.

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 appreciates the hard work and dedication you and Amanda Tropiano, consultant, provided in the preparation of the City's housing element and looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact Anthony Errichetto, of our staff, at Anthony.errichetto@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager