

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

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April 25, 2024

Brandon Swanson, Director
Community Planning and Building Department
City of Carmel
P.O Box CC
Carmel-by-the-Sea, CA 93921

Dear Brandon Swanson:

RE: City of Carmel's 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Carmel's (City) housing element that was adopted April 8, 2024, and received for review on April 11, 2024. Pursuant to Government Code section 65585, 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 (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 April 5, 2024 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 1.1.B (City-Owned Sites)
- Program 1.1.C (Development on Small Sites)
- Program 1.1.D (Allow Religious Institution Affiliated Housing Development)
- Program 1.2.A (Water Distribution Prioritization for Affordable Housing)
- Program 1.2.B (Address Infrastructure Constraints)
- Program 1.3.B (Overnight Visitor Accommodation Development Transfer Rights)
- Program 1.3.C (Accessory Dwelling Units)
- Program 1.3.D (Overnight Visitor Accommodation – Employee Housing Program)
- Program 1.3.E (Amend the A-2 Zoning District)
- Program 1.3.I (Implement State Law SB 10 Opportunities)
- Program 1.4.A (Eliminate Unnecessary Use Permits)
- Program 1.4.B (Objective Design and Development Standards)
- Program 3.1.F (Expedited Processing Procedures)
- Program 3.1.G (Establish Minimum Densities and Ministerial Approval Process)
- Program 3.2.B (Housing Mobility)

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 program, 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.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: <https://www.opr.ca.gov/planning/general-plan/guidelines.html>.

HCD appreciates the cooperation and effort the City's housing element team provided throughout the course of the housing element review. HCD wishes the City 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 you have any questions or need additional technical assistance, please contact Jose Ayala, of our staff, at jose.ayala@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager