

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

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September 20, 2024

Paul Bernal, Director
Community Development Department
City of Visalia,
315 East Acequia Avenue,
City of Visalia, CA 93291

Dear Paul Bernal:

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

Thank you for submitting the City of Visalia's (City) housing element that was adopted December 18, 2023 and received for review on August 18, 2024. The adopted element received on August 18, 2024 includes modifications authorized by Resolution Number 2023-64. 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, with modifications, in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq) as of the date of this letter. The adopted element, with modifications, addresses the requirements described in HCD's February 26, 2024.

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

- Program 1.1 (Designate Sufficient Land)
- Program 1.3 (Conditional Use Permit Process)
- Program 1.6 (City-owned/Surplus Land Act)
- Program 1.7 (Annexations to Accommodate Future Housing Needs)
- Program 2.2 (Incentives for Downtown Housing)
- Program 2.3 (Infrastructure Funding Program)
- Program 2.5 (Incentives for Infill Affordable Housing)
- Program 2.6 (Nonvacant Sites)
- Program 2.7 (Missing Middle)
- Program 3.15 (Accessory Dwelling Units)
- Program 3.17 (Large Sites)
- Program 5.2 (Homeless Shelter Program)
- Program 5.8 (Municipal Code Updates)

- Program 5.10 (Employee/Farmworker Housing)
- Program 7.2 (Segregation and Concentration of Low Resource Areas)
- Program 7.3 (Place-based Strategies)
- Program 7.4 (Anti-displacement Strategy)
- Program 9.4 (Monitor Conditional use Permit)

For example, Programs 1.1 (Designate Sufficient Land) and 1.7 (Annexations to Accommodate Future Housing Needs), among other provisions, commits to make prior identified sites available and address the lower-income regional housing need allocation (RHNA) shortfall of capacity, including rezoning to permit housing developments with 20 percent affordability without discretionary action. For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), as the City did not adopt a compliant housing element within 120 days of the statutory deadline (December 31, 2023), all necessary rezoning within these Programs must be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law, and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

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>.

Paul Bernal, Director
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HCD appreciates the assistance and dedication provided by the housing element update team throughout the housing element update and review. HCD wishes the City of Visalia 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 Irvin Saldana, of our staff, at Irvin.Saldana@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul McDougall", with a stylized flourish at the end.

Paul McDougall
Senior Program Manager