

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

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May 2, 2025

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) Amendments to the Adopted Housing Element

Thank you for submitting the City of Visalia's (City) housing element which was adopted December 18, 2023 along with technical modifications that were received for review on March 3, 2025. All technical modifications were authorized by Resolution No. 2023-64 and were made available to the public for seven days prior to HCD's review. The City confirmed the technical modifications are consistent with the direction and authority granted by Resolution No. 2023-64. In addition, the California Department of Housing and Community Development (HCD) received Ordinance 2024-17 and Resolutions 2023-49 and 2023-60 related to rezoning. Pursuant to Government Code section 65585, HCD is reporting the results of its review.

On September 20, 2024, HCD found the City's housing element in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq). On March 3, 2025, the City submitted technical modifications to the adopted housing element. These modifications did not change the September 20, 2024 finding of substantial compliance and do not impact the September 20, 2024 finding of substantial compliance. The adopted housing element with technical modifications continues to substantially comply with State Housing Element Law. This finding is based on, among other items, the completion of Programs 1.1 (Designate Sufficient Land) and 1.7 (Annexations to Accommodate Future Housing Needs) which, among other provisions, committed to make prior identified sites available and address the regional housing need allocation (RHNA) shortfall of capacity, including permit housing developments with 20 percent affordability without discretionary action.

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)

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.

Finally, please be aware, the recent California appellate decision in *Martinez v. City of Clovis* found that while overlays can be used in a rezone, when the base zone allows residential development, both the base zone and the overlay zone must comply with the minimum density requirements of Government Code section 65583.2, subdivision (h). For the shortfall of capacity to accommodate the lower-income RHNA (Program 1.7: Annexations to Accommodate Future Housing Needs), the City must ensure base zones (e.g., R-M-3 Zone) require a minimum density of no less than 20 dwelling units per acre. *Martinez v. City of Clovis* (2023) 90 Cal.App.5th 193, 307 Cal.Rptr.3d 64.

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 continues to meet 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 Land Use and Climate Innovation at: <https://www.lci.ca.gov/planning/general-plan/guidelines.html>.

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