

**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](http://www.hcd.ca.gov)



August 2, 2022

Mike Strong, Director  
Community Development Department  
City of Escondido  
201 North Broadway  
Escondido, CA 92025

Dear Mike Strong:

**RE: Escondido's 6<sup>th</sup> Cycle (2021-2029) Revised Draft Housing Element Update**

Thank you for submitting the City of Escondido's (City) revised draft housing element received for review on June 2, 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. In addition, HCD considered comments from Escondido Community Housing Coalition and Sierra Club North County Group (NCG), pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses many statutory requirements; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code):

1. *Affirmatively further[ing] fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2...shall include an assessment of fair housing in the jurisdiction. (Gov. Code, § 65583, subd. (c)(10)(A).)*

*Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)*

Strategies, Actions, Metrics, and Milestones: HCD's prior review found that the element must include stronger actions to address housing mobility, displacement risks, and place-based strategies. Additionally, prior reviews found that the element must include metrics or numeric objectives to target meaningful affirmatively furthering fair housing (AFFH) outcomes in the planning period. While the element included revisions, it still should be revised with significant programs to enhance housing mobility and include quantifiable metrics or numerical objectives to target beneficial impacts for people, households, and

neighborhoods (e.g., number of people or households assisted, number of housing units built, number of parks or infrastructure projects completed). HCD will be following up under a separate cover with additional information and specific guidance.

2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level... (Gov. Code, § 65583, subd. (a)(3).)*

Suitability of Nonvacant Sites: While the element now clearly details the methodology and criteria used when identifying sites, it should support the assumptions and criteria utilized as part of the methodology. For example, the element included project examples in Appendix B and anecdotally discussed projects throughout the analysis. However, several of the projects discussed did not align with the criteria utilized. The examples listed in Appendix B only highlighted existing uses and occasionally referenced the land to improvement ratio (LIR) while the methodology considered, at minimum two out of three factors including building age, LIR, and new net ratios. To clearly relate project examples to the methodology, the element could include a table listing out project examples with the same characteristics utilized in the methodology. The examples should also include information about existing uses, location and affordability.

As a reminder, since the element relies upon nonvacant sites to accommodate more than 50 percent of the regional housing needs allocation (RHNA) for lower-income households, absent of findings (e.g., adoption resolution) based on substantial evidence, the existing uses will be presumed to impede additional residential development and nonvacant sites will not be utilized toward demonstrating adequate sites to accommodate the RHNA. The City's resolution for the adopted housing element (adopted August 11, 2021) did not include the required findings. Any future re-adoption of the housing element must include the appropriate finding as part of the adoption resolution.

The element will meet statutory requirements of State Housing Element Law once it has been revised and adopted to comply with the above requirements pursuant to Government Code section 65585.

Pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until all required rezones of sites pursuant to Government Code section 65583, subdivision (c), paragraph (1), subparagraph (A) and Government Code section 65583.2, subdivision (c) are completed. As the year has

passed and Program 1.1 (Sites Inventory and No Net Loss...) and Program 1.3 (By-right Approvals on Reuse Sites...) has not been completed, the housing element is out of compliance and will remain out of compliance until the rezoning have been completed.

For your information: Pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory (for all income-levels). Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml> for a copy of the form and instructions. Please note, upon adoption of the housing element, the City must submit an electronic version of the sites inventory with its adopted housing element to [sitesinventory@hcd.ca.gov](mailto:sitesinventory@hcd.ca.gov).

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 should continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

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 responsiveness of City staff Adam Finestone and Veronica Morones during the review. We are committed to assisting the City in addressing all statutory requirements of State Housing Element Law. If you have any questions or need additional technical assistance, please contact Sohab Mehmood, of our staff, at [Sohab.Mehmood@hcd.ca.gov](mailto:Sohab.Mehmood@hcd.ca.gov).

Sincerely,



Paul McDougall  
Senior Program Manager