

**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



March 20, 2024

Justin Murphy, City Manager
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Dear Justin Murphy:

RE: City of Menlo Park 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Menlo Park's (City) housing element that was adopted January 23, 2024 and received for review on January 24, 2024. In addition, the California Department of Housing and Community Development (HCD) received various resolutions and ordinances related to rezoning. 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 December 20, 2023 review determined met statutory requirements. For example, the various resolutions and ordinances demonstrate completion of necessary rezoning to make prior identified sites available and address a shortfall of adequate sites to accommodate the regional housing need allocation (RHNA).

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

- Program H1.E (Work with Non-Profits on Housing)
- Program H1.H (Mid-cycle Review)
- Program H3.A (Amend Procedures for Reasonable Accommodation)
- Program H2.E (Anti-displacement Strategy)
- Program H3.D (Develop Incentives for Special Needs Housing)
- Program H3.G (Zoning for Special Needs Housing)
- Program H3.L (Large Units)
- Program H4.D (Modify the Affordable Housing Overlay (AHO))
- Program H4.G (Affordable Housing on City-Owned Parking Lots Downtown)
- Program H4.I (New Opportunities for Mixed-Use Development)
- Program H4.L (Modify El Camino Real/Downtown Specific Plan)
- Program H4.K (Rezone for Lower Income Shortfall)

- Program H4.M (Update Parking Requirements and Design Standards)
- Program H4.U (Federally-Owned and School Sites)
- Program H4.V (Local Density Bonus Law Ordinance)
- Program H5.J (Environmental Justice Element)

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 dedication and work that was put into the housing element update and review process. HCD commends the leadership of the City and City staff in already taking significant steps towards addressing the housing needs of the community. HCD particularly applauds the hard work and collaboration of Deanna Chow and Tom Smith. 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 HCD can provide assistance in implementing the housing element, please contact Jed Hackett, of our staff, at jed.hackett@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager