

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

651 Bannon Street, Suite 400  
Sacramento, CA 95811  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



July 29, 2024

Angelica Frausto-Lupo, Director  
Community Development Department  
City of South Pasadena  
1414 Mission Street  
South Pasadena, CA 91030

Dear Angelica Frausto-Lupo:

**RE: City of South Pasadena's 6th Cycle (2021-2029) Adopted Housing element**

Thank you for submitting the City of South Pasadena's Ordinance Numbers 7850, 7851 and 2388 (Ordinances) which were adopted May 29, 2024 and June 6, 2024. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered public comments from South Pasadena Tenants Union and Josh Albrekston pursuant to Government Code section 65583, subdivision (c).

On February 13, 2024, HCD found the element, adopted May 30, 2023, to be substantially the same as the revised draft element that HCD's May 16, 2023 review determined met statutory requirements. However, the adopted element could not be found in substantial compliance for various reasons, particularly related to rezones to make prior identified sites available or accommodate a shortfall of sites to accommodate the regional housing need allocation (RHNA) pursuant to Government Code sections 65583, subdivision (c)(1)(A) and 65583.2, subdivisions (c), (h) and (i). Upon review of the submitted Ordinances, HCD finds the City has completed the necessary actions to address the requirements that were described in HCD's February 13, 2024 review. As a result, the adopted housing element now substantially complies with State Housing Element Law (Gov. Code, § 65580 et seq) as of the date of this letter.

However, this finding is based on timely and effective implementation, including monitoring, evaluation, and adjustment, as follows:

- *Appropriate Development Standards:* The various zoning actions (e.g., mixed-use overlay, downtown specific plan) to accommodate the RHNA include many development standards to implement the zones. Some of these development standards may act as constraints on development, including impacting housing supply (number of units) and costs, financial feasibility, and ability to encourage and facilitate maximum densities. Examples of potential constraints include

setbacks, height setbacks, distance requirements between buildings, courtyard dimensions, lot sizes, lot widths, private open space, open space depths, building lengths, unit size, floor area ratios, and site landscaping. The City should closely evaluate the impacts of development standards and make adjustments as appropriate to address constraints on housing supply and costs, financial feasibility, and ability to encourage and facilitate maximum densities.

- *Interim Procedures for Appropriate Height Standards:* Appropriate development standards to facilitate achieving the proposed maximum densities (e.g., 70 and 110 units per acre) are crucial to completing zoning. While Program 2.n (Citywide Height Limit) proposes to revise heights, zoning cannot be deemed complete without appropriate development standards to implement the densities. Given the complexity of addressing heights as a constraint, as noted in the prior review, the City may utilize an interim procedure that provides a clear path to exceptions from the height limits to meet this requirement. An interim procedure is not a long-term remedy but sufficient as the City implements Program 2.n (Citywide Height Limit Ballot Initiative). While the City has [posted an interim procedure](#), it should also proactively disseminate the procedure to the development community, including email distribution and workshops and make adjustments, as appropriate, to ensure the procedure is facilitating and expediting development and the ability to achieve maximum densities. If the City take actions contrary to or fails to act to monitor and address constraints that may arise associated with its development standards, ensure the development community is aware of the height limit exception procedure, and grant those height limit exceptions consistently prior to establishing appropriate height standards, they will be subject to accountability review and potential housing element revocation.
- *Implementation of Program to Establish Appropriate Height Standards:* Program 2.n (Citywide Height Limit Ballot Initiative) is crucial to substantial compliance with State Housing Element Law. In addition to the above interim actions, the City must continue and complete efforts to address the current height limit as a constraint.

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

- Program 1.b (Convert Caltrans Homes to Affordable Housing)
- Program 2.a (Technical Assistance for Affordable Housing)
- Program 2.b (Affordable Housing Production)
- Program 2.e (Density Bonus)
- Program 2.f (Offer Services to People without Housing)
- Program 2.h (Incentivize Special Needs Housing)
- Program 2.i (Monitor Inclusionary Regulations)

- Program 2.j (General Plan Affordable Housing Overlay)
- Program 2.k (Affordable Housing Overlay Zone)
- Program 2.l (Affordable Housing on City-Owned Property)
- Program 2.m (Inclusionary Housing Regulations)
- Program 2.n (Citywide Height Limit Ballot Initiative)
- Program 3.a (Rezone and Redesignate Sites to Meet RHNA)
- Program 3.b (Mixed-Use Development and Adaptive Reuse)
- Program 3.d (Parcel Assemblage)
- Program 3.f (Facilitate Accessory Dwelling Units (ADU))
- Program 3.g (Monitor ADU Production)
- Program 3.h (Back Up to Address Shortfall in Anticipated ADUs)
- Program 3.m (Implement SB 9 and SB 10)
- Program 3.n (Zoning Changes)
- Program 4.a (Emergency Shelters)
- Program 4.b (Transitional and Supportive Housing/Low Barrier Navigation Centers)
- Program 5.b (Variety of Housing Types)
- Program 6.a (Rent Registry)
- Program 6.b (Right to Return Policy)
- Program 6.c (Relocation Assistance)
- Program 6.d (Rent Stabilization)

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 the program actions described here, and those included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law.

Public participation in the development, adoption, and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, including implementation of programs and annual progress reports pursuant to Government Code section 65400, 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.

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 now meets housing element requirements for these and other funding sources.

HCD appreciates the efforts and cooperation provided throughout both the housing element update and ordinance adoption processes. HCD wishes the City success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports required pursuant to Government Code section 65400. If HCD can provide assistance, please contact me at [paul.mcdougall@hcd.ca.gov](mailto:paul.mcdougall@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