

DATE, 2018

Steven Mermell, City Manager
City of Pasadena
100 North Garfield Avenue, Room S228
Pasadena, CA 91101

RE: Potential Changes Impacting Development Intensities

Dear Steven Mermell:

The purpose of this letter is to assist the city in its decision making related to potential interim ordinances and zoning changes that impact development intensities. The Department fully respects the challenges and many factors that affect important local land use decisions but also urges the City to carefully consider any interim urgency ordinances, moratoriums or other actions that impact development intensities.

On February 24, 2014, the Department found Pasadena's housing element in compliance with state housing element law (Article 10.6 of the Government Code). This finding, among many other things, was based on policies and programs such as:

- Program 7 to review specific plans and ensure adequate sites,
- Program 8 to review codes and incentives to facilitate development of mixed use and transit oriented development,
- Program 11 to examine constraints on development, and
- Program 12 to use an effective mix of incentives to facilitate development in strategic locations.

However, the Department understands the City is weighing options that appear contrary to the objectives of these and other policies and programs in the housing element.

First, taking actions to prohibit, even temporarily, multifamily development is viewed as a serious constraint and contrary to planning and zoning law, particularly housing element and related laws. If the City does establish an urgency ordinance or moratorium on multifamily development, the City should take immediate action to amend and submit its housing element to identify and address the constraint on development and how current and projected housing needs will be met.

Second, reducing density, downzoning, reducing heights or other actions that negatively impact the intensity of development are potential constraints and should be evaluated. For example, the purpose of Programs 11 (Potential Constraints) and 12 (Regulatory Housing Incentives) is to not restrict development and affirmatively promote development, particularly in strategic areas, a core part of the City's strategy to accommodate its share of the regional housing need. Actions impacting development intensities are not consistent with the policies and programs in the housing element.

Third, based on a cursory review, reducing densities or heights could potentially impact the City's identification of adequate sites to accommodate the regional housing need. Also, these types of actions may confound meeting requirements such as no net loss law (Government Code Section 65863) which requires local governments to maintain sites to accommodate the housing need of all income groups *throughout* the planning period.

Finally, as a reminder, the Department may review action or inaction related to the housing element and other laws and notify the Office of the Attorney General, pursuant to GC Sections 65585(i) and (j). Additionally, several existing and potentially future state funding programs consider the housing element as eligibility criteria such as Senate Bill 1 Sustainable Communities Grant and SB 2 Planning Grants (anticipated in late spring 2019).

Compliance with housing element law and taking actions consistent with the housing element are a valuable step in meeting the housing needs of the community. The Department encourages the city to carefully consider actions that may impede or impact development intensities. If you have any questions, please contact me at paul.mcdougall@hcd.ca.gov.

Sincerely,

Paul McDougall
Housing Policy Manager