DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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July 25, 2016

Mr. John Kunkel, City Manager City of Kerman 850 S. Madera Avenue Kerman CA, 93630

Dear Mr. Kunkel:

RE: Kerman's 5th Cycle (2015-2023) Adopted Housing Element

Thank you for submitting the City of Kerman's housing element adopted April 6, 2016 which was received for review on April 27, 2016. Pursuant to Government Code (GC) Section 65585(h), the Department is reporting the results of its review.

The adopted housing element conditionally meets the statutory requirements of State housing element law (GC, Article 10.6). The Department's review found the adopted housing element to be substantially the same as the revised draft housing element the Department's February 1, 2016 review determined met statutory requirements. The finding of compliance is conditioned on the City rezoning adequate sites to address the unaccommodated housing need from the prior planning period.

The City, in coordination with Fresno Council of Governments (Fresno COG), elected to collectively prepare a multi-jurisdictional housing element (MJHE) for the fifth-cycle housing element update. The Department commends the City for working with other participating jurisdictions during the housing element update process to form a detailed and comprehensive document that addresses both local and regional housing issues.

For the element to remain in compliance after December 31, 2016, the City must complete Program 3 actions. This program commits to rezone sites to accommodate the 168 unit carryover of housing need not met in the 4th cycle by December 31, 2016. Pursuant to GC Section 65584.09, a jurisdiction that failed to identify or make available adequate sites to accommodate all of the previous cycle's housing need must zone or rezone adequate sites to accommodate all of the previous cycle's unmet housing need within the first year of the next housing element cycle. The City must monitor and report on the results of this and other programs through the annual progress report, required pursuant to GC Section 65400.

For your information, some other elements of the general plan must be updated on or before the next adoption of the housing element. The safety and conservation elements of the general plan must include analysis and policies regarding fire and flood hazard management (GC Section 65302(g)). Also, the land-use element must address disadvantaged communities (unincorporated island or fringe communities within spheres of influence areas or isolated long established "legacy" communities) based on available data, including, but not limited to, data and analysis applicable to spheres of influence areas pursuant to GC Section 56430. The Department urges the City to consider these 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: http://opr.ca.gov/docs/SB244 Technical Advisory.pdf and http://opr.ca.gov/docs/Final 6.26.15.pdf.

Please note, the City of Kerman now meets specific requirements for State funding programs designed to reward local governments for compliance with State housing element law. For example, the Department's Housing Related Parks Program includes housing element compliance as a threshold requirement. Please see the Department's website for specific information about this and other State funding programs at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hecompl011708.pdf.

Please be aware, on January 6, 2016, HCD released a Notice of Funding Availability (NOFA) for the Mobilehome Park Rehabilitation and Resident Ownership Program (MPROP). This program replaces the former Mobilehome Park Resident Ownership Program (MPROP) and allows expanded uses of funds. The purposes of this new program are to loan funds to facilitate converting mobilehome park ownership to park residents or a qualified nonprofit corporation, and assist with repairs or accessibility upgrades meeting specified criteria. This program supports housing element goals such as encouraging a variety of housing types, preserving affordable housing, and assisting mobilehome owners, particularly those with lower-incomes. Applications are accepted over the counter beginning March 2, 2016 through March 1, 2017. Information is available on the Department's website at: http://www.hcd.ca.gov/financial-assistance/mobilehome-park-rehabilitation-resident-ownership-program/index.html.

Among other things, Programs 10 and 13 are essential to providing a variety of housing choices and addressing constraints and necessary to comply with housing element law. As a result, the City should monitor and report on the status of these and other Programs through the annual progress report, required pursuant to GC Section 65400. If these Programs are not completed in a timely manner, then the element should be amended to identify alternatives or necessary action for completion.

The Department encourages the City to continue its engagement process with the public during implementation of the housing element. In addition, continued collaboration with jurisdictions that participated in the MJHE will help the City in addressing local housing issues that have an impact throughout the region.

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The Department appreciates the efforts Ms. Olivia Pimentel, Planning Technician; Ms. Helen Nazaroff, Executive Secretary; Mr. David Brletic, Contract Planner; and Ms. Chelsey Payne, the City's consultant, provided throughout the course of the housing element review. The Department 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 GC Section 65400. If the Department can provide assistance in implementing the housing element, please contact Tom Brinkhuis, of our staff, at (916) 263-6651.

Sincerely,

Glen A. Campora

Assistant Deputy Director