

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

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November 25, 2025

Erika Ramirez, Director  
Community Development Department  
City of South Pasadena  
1414 Mission Street  
South Pasadena, CA 91030

Dear Erika Ramirez:

**RE: City of South Pasadena's 6th Cycle (2021-2029) Amendment to the Housing Element and Implementation**

Thank you for submitting the City of South Pasadena's (City) Amendment to the Housing Element (Amendment) and various ordinances and other documents related to implementation of Program 2.n (Citywide Height Limit Ballot Initiative) of the housing element. Ordinances, resolutions and other documents include Ordinance Numbers 2403 and 2386, Resolutions 7869, 7930, 7931 and 7932; and a feasibility memo dated September 2025. Pursuant to Government Code section 65585, the California Department of Housing and Community Development (HCD) is reporting the results of its review of the housing element amendment and implementation of Program 2.n. In addition, HCD considered public comments from the South Pasadena Tenants Union Steering Committee and Josh Albrekston pursuant to Government Code section 65583, subdivision (c).

**Housing Element Amendment**

On July 29, 2024, HCD found the City's housing element in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq) and as of this writing, the City's housing element remains in substantial compliance with State Housing Element Law. This finding is based on Resolution 7931 that resolves, declares and determines that the adopted amendment to the housing element shall only become effective upon HCD's finding that the amended housing element is in substantial compliance with State Housing Element Law.

The housing element amendment meets most statutory requirements. However, the amendment may impact HCD's prior finding of substantial compliance and should be revised, as follows:

- *Entitled and Pending Units:* The City's regional housing need allocation (RHNA) may be reduced by the number of new units pending, approved, permitted or built since July 1, 2021, by demonstrating the affordability and availability of these units in the planning period. For affordability, the element must utilize actual or anticipated sales prices, rent levels, or other mechanisms establishing affordability in the planning period. For example, the element could discuss affordability based on a local inclusionary requirement. For availability, the element briefly discusses the status of entitlements but should also discuss remaining steps to issue building permits, likelihood of development in the planning period based on, for example, past completion rates and timing and any known constraints or conditions that could preclude development in the planning period. To assist in meeting this requirement, the element should add or modify programs to monitor pending and entitled projects and take alternative action, if necessary, by a specified date.
- *Accessory Dwelling Units (ADUs):* ADUs may be counted toward the RHNA based on past permitted units and other relevant factors. The Amendment increases the number of ADUs toward the RHNA based on a recent uptick in ADU permits. The element also includes Programs 3.g (Monitor ADU Production) and 3.h (Back-up to Address Shortfall in Anticipated ADUs) to monitor ADU production and affordability and complete alternative actions at different intervals in the planning period. Given the increase in ADUs toward the RHNA and the timing in the planning period, these Programs should be revised to monitor ADU production and affordability annually and complete alternative actions, including rezoning, if necessary, within a specified time (e.g., within six months).
- *Other High-Density Sites:* The element utilizes other high-density nonvacant sites toward the RHNA (Table VI-53) based on a probability of 7.5 percent. This probability is based on 0.94 per year probability and then multiplied by 8 years in the planning period. However, fewer than 8 years remain in the planning period and this reasoning should either be revised or adjusted. For example, the element could multiply the per year probability by 5 years remaining in the planning period, consider other relevant factors to justify 7.5 percent such as the positive impact of zoning changes, or consider other redevelopment probability rates or methodologies to support using a 7.5 percent probability.

The element will substantially comply with State Housing Element Law once it has been revised, submitted, and reviewed by HCD to comply with the above requirements pursuant to Government Code section 65585.

### **Housing Element Implementation**

As noted in HCD's July 29, 2024 review, Program 2.n (Citywide Height Limit Ballot Initiative) is crucial to substantial compliance with State Housing Element Law and the City must complete efforts to address the current height limit as a constraint. The City

should continue these implementation efforts, as follows:

- *Program 2.n (Citywide Height Limit Ballot Initiative)*: The Program committed to bring forward a measure and seek voter approval to repeal or replace the height limit of 45 feet to address an identified constraint to housing. The Program allowed either repeal or replacement and, if replacement, establishing a height limit of no less than 84 feet. The Program also committed to update development standards in the Downtown Specific Plan (DTSP) and zoning code to facilitate achieving maximum allowable densities. HCD understands the measure was successful, heights have been repealed and the City has established new heights and various other development standards. HCD recognizes and applauds the City's significant efforts to pursue a measure and establish appropriate development standards to facilitate maximum allowable densities. However, the information submitted, most notably the feasibility memo, does not demonstrate heights and accompanying development standards that facilitate achieving maximum allowable densities of 70 and 90 units per acre. For example, the feasibility memo is largely devoted to financial feasibility (as opposed to physical feasibility without exceptions) and in many cases, appears to conclude development is not feasible or only marginally feasible with development at five stories. The memo does not address densities at 90 units per acre. Further, the element generally depicts some selected developments at various densities and heights but provides no information about the projects such as development standards or applicability to the City's recent zoning efforts. Also, the memo briefly mentions massing studies but provides no additional analysis and also describes the studies are limited to Huntington Drive and Ostrich Farm sites with more generous characteristics such as parcel size and lot dimensions. The memo also admits feasibility outcomes could be more challenging on smaller sites and that development standards appear to constrain development in the DTSP. For these and other reasons, the City should submit additional information and analysis to demonstrate the new heights in combination with all development standards and site characteristics do not constrain development and instead *facilitate* achieving maximum allowable densities at 70 and 90 units per acre. In providing information and analysis, the City should consider the term "*facilitate*" as making something easy and effective as opposed to a mere possibility given favorable circumstances, conditions, or assumptions. Alternatively, to demonstrate appropriate implementation and comply with statutory requirements to address identified constraints, the housing element amendment could include a program to increase allowable base heights by 10 feet by a specified date (e.g., within one year). However, a program to increase heights should also commit to maintain development standards that do not unduly constrain development or act as a barrier to achieving maximum allow densities of 70 and 90 units per acre.
- *Interim Procedures for Appropriate Height Standards*: Appropriate development standards to facilitate achieving the maximum densities (e.g., 70 and 110 units per acre) are crucial to compliance with State Housing Element Law. The City

should continue to utilize its interim procedure that provides a clear path to exceptions from the height limits. An interim procedure is not a long-term remedy but sufficient as the City considers next steps. 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, it will be subject to accountability review and potential revocation of the housing element.

- *Ongoing Implementation of Other Programs:* As noted in HCD's prior review, City must continue timely and effective implementation of all programs. See HCD's prior review for additional information. The City must monitor and report on the results of programs through the annual progress report (APR), 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 State Housing Element Law. This includes failure to implement program actions in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law. In the coming weeks, HCD will be reviewing the City's implementation progress and looks forward to engaging with the City to ensure successful housing outcomes.
- *Public Participation:* 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 APRs 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.

## **Conclusion**

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 continues to meet housing element requirements for these and other funding sources.

HCD appreciates the efforts and cooperation provided throughout both the housing element update and implementation processes. HCD particularly applauds the City's efforts to seek voter approval and repeal heights as a key constraint on development. HCD also recognizes the City's efforts to implement a robust public process and pursue higher density infill development, including challenges in harmonizing multiple interests and relaxing various development standards. The City has made much progress in facilitating housing and HCD looks forward to collaborating with the City to meet statutory requirements. 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