

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

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February 10, 2010

Ms. Angela Howard
Town Manager
Town of Portola Valley
Portola Valley Town Hall
765 Portola Valley Road
Portola Valley, CA 94028

Dear Ms. Howard:

RE: Review of the Town of Portola Valley's Adopted Housing Element

Thank you for submitting the Town of Portola Valley's housing element adopted on December 9, 2009 and received for review on December 14, 2009. The Department is required to review adopted housing elements and report the findings to the locality pursuant to Government Code Section 65585(h).

The adopted element addresses the statutory requirements described in the Department's November 19, 2009 review. For example, Program 3 now commits the Town to specific strategies to encourage increased production of second units. In addition, Program 1 will be monitored annually to ensure its effectiveness. As a result, the Department is pleased to find the adopted element addresses all the statutory requirements in full compliance with State housing element law (Article 10.6 of the Government Code).

In addition, the City now meets specific requirements for several State funding programs designed to reward local governments for compliance with State housing element law. For example, the Housing Related Parks Program, authorized by Proposition 1C, Local Housing Trust Fund and the Building Equity and Growth in Neighborhoods (BEGIN) Programs include housing element compliance either as a threshold or competitive factor in rating and ranking applications. More specific information about these and other programs is available on the Department's website at

http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hcompl011708.pdf.

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The Department wishes Portola Valley 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 the Department can provide assistance in implementing the housing element, please contact Raquel Medina, of our staff, at (916) 324-9629.

Sincerely,



Cathy E. Creswell
Deputy Director