

## **2024-109 AUDIT SCOPE AND OBJECTIVES**

### **Department of Housing and Community Development—Housing Element Reviews, Procedures and Oversight**

The audit by the California State Auditor will provide independently developed and verified information related to the California Department of Housing and Community Development's (HCD) procedures and oversight regarding housing element reviews. The audit's scope will include, but not be limited to, the following activities pertaining to HCD and 10 cities selected by the State Auditor for their diversity in population, geography, and compliance with HCD's standards for housing elements:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Identify and evaluate HCD's requirements and guidance for local housing elements. Perform the following:
  - (a) Determine whether HCD's standards and guidance are detailed enough for cities to apply to their housing elements.
  - (b) Assess whether HCD is available for assistance when cities are developing their initial drafts of housing elements and determine the median time cities wait for assistance from HCD.
3. Assess HCD's responsiveness in reviewing housing elements for the 10 selected cities by doing the following:
  - (a) Identify the median range of time HCD took to complete each review (or reviews) of the fifth and sixth housing element cycles.
  - (b) Identify the median range of time HCD took to approve the housing elements and compare these times to the times of those from the fifth housing element cycle.
  - (c) Assess how and when HCD communicated housing element submission deadlines for the sixth housing element cycle. Determine whether these deadlines differed from the fifth housing element cycle.
4. Evaluate HCD's comments and feedback to each of the 10 selected cities in the sixth housing element cycle by doing the following:
  - (a) Determine the consistency of HCD's comments among the 10 selected cities.
  - (b) Determine whether HCD reviewers provided precise, measurable, and criteria-based comments and feedback.
  - (c) Compare the overall comments and feedback to HCD's comments and feedback on the Affirmatively Furthering Fair Housing standards and site analysis requirements of the housing element.

5. Evaluate HCD's staffing levels and turnover rate, to the extent data is available, by doing the following:
  - (a) Identify the total number of reviewers HCD had in the fifth and sixth cycles. For each cycle, determine the median time that reviewers worked at HCD. Compare the turnover and totals between the two cycles.
  - (b) Determine the median number and full range of reviewers that evaluated the housing elements of each of the 10 selected cities.
  - (c) Determine how long a reviewer remained assigned to the same local government in the sixth housing element cycle and compare this time to the average for the fifth housing cycle.
6. Identify and evaluate HCD's policies and procedures for training new and existing staff assigned to review housing elements and determine the following:
  - (a) The length of time for and procedures taught in new employee training.
  - (b) Whether HCD offers additional training to existing staff and, if so, how often and on what topics.
  - (c) Whether HCD's training is sufficient to prepare reviewers to review housing elements and provide clear comments to local governments.
7. Review and assess any other issues that are significant to the audit.