1	ROB BONTA			
2	Attorney General of California DAVID PAI			
3	Supervising Deputy Attorney General JOHN M. NATALIZIO			
4	Deputy Attorney General State Bar No. 311482			
5	300 South Spring Street, Suite 1702 Los Angeles, CA 90013-1230			
6	Telephone: (213) 269-6597 E-mail: John.Natalizio@doj.ca.gov			
7				
8	Attorneys for Petitioners and Plaintiffs People of California ex rel. Rob Bonta, and the California			
	Department of Housing and Community Development			
9	OVERDADA CONTRA OR SEV			
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
11	COUNTY OF LOS ANGELES			
12				
13	PEOPLE OF THE STATE OF	Case No.		
14	CALIFORNIA; CALIFORNIA DEPARTMENT OF HOUSING AND	STIPULATION FOR ENTRY OF		
15	COMMUNITY DEVELOPMENT,	JUDGMENT		
16	Petitioner and Plaintiff,			
17	ν.			
18	CITY OF LA HARRA HEIGHTS: CITY			
19	CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,			
20	Respondent and Defendant,	·		
21	Respondent and Defendant,			
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Petitioners and Plaintiffs, PEOPLE OF THE STATE OF CALIFORNIA, acting by and through ROB BONTA, Attorney General of the State of California, and the CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, and Respondents and Defendants CITY OF LA HABRA HEIGHTS and THE CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS (collectively, the "Parties"), hereby stipulate as follows:

- 1. Upon the Court's approval, the Proposed Stipulated Final Judgment and Order ("Judgment"), a true and correct copy of which is attached to this Stipulation for Entry of Judgment ("Stipulation"), may be entered in this matter.
  - 2. The terms of this Stipulation shall be governed by the laws of the State of California.
- 3. The Parties in this matter agree that this Court has jurisdiction over the subject matter hereof, and over the parties themselves, and that venue is proper before this Court.
- 4. The Parties have agreed to resolve the allegations contained in the Petition for Writ of Mandate and Complaint for Declaratory Relief ("Petition") initiating this action by entering into this Stipulation.
- 5. The Parties have stipulated and consented to the entry of the Judgment without the taking of proof and without trial or adjudication of any fact or law herein.
- 6. The Parties may seek approval and signature of the Judgment, based on this Stipulation, during the court's ex parte calendar or on any other ex parte basis, with notice to counsel for the City of La Habra Heights ("City").
- 7. The Parties hereby waive their right to appeal from the Judgment, except insofar as permitted under the Judgment, and that the Parties agree that this Court shall retain jurisdiction for the purpose of enforcing the terms of the Judgment.
- 8. To the extent there is any conflict between the terms of this Stipulation and the terms of the Judgment, the Judgment shall control.
- 9. The City will accept notice of entry of judgment entered in this action by delivery of such notice to its counsel of record, and agree that service of notice of entry of judgment will be deemed personal service upon it for all purposes regardless of the manner in which it is delivered.

1	10. The individuals signing this Stipulation represent that they have been authorized by the	
2	party they represent to sign this Stipulation.	
3	11. The Stipulation may be executed in counterparts, and a digital signature in PDF format	
4	shall be deemed to be, and shall have the same force and effect as, an original signature.	
5	4	
6	Dated: October 31, 2024	Respectfully submitted,
7		ROB BONTA Attorney General of California
8		DAVID PAI Supervising Deputy Attorney General
9		John Natalyis
10		OHN M. NATALIZIO Deputy Attorney General
11		Attorneys for Petitioners and Plaintiffs People of California rel. Rob Bonta, and
12		the California Department of Housing and Community Development
13		
14	Dated: October 31, 2024	CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY
15		DEVELOPMENT  OZ.
16	*	DAVID ZISSER
17		Assistant Deputy Director
18	Dated: October 29, 2024	CITY OF LA HABRA HEIGHTS AND
19		THE CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS
20		here
21		Rafferty Wooldridge City Manager
22	Approved as to form for the City,	Ony Manager
23	Dated: October 3, 2024	RUTAN & TUCKER LLP
24	Buttour Gottigoor 44, 2021	Tod O Pellin
25		Todd Litfin
26		Attorneys for Respondents and Defendants  City of La Habra Heights and City Council  of the City of La Habra Heights
27		of the City of La Habra Heights
28		

1	ROB BONTA Attorney General of California				
2	DAVID PAI Supervising Deputy Attorney General				
3	JOHN M. NATALIZIO				
4	Deputy Attorney General State Bar No. 311482				
5	300 South Spring Street, Suite 1702 Los Angeles, CA 90013-1230				
6	Telephone: (213) 269-6597 E-mail: John.Natalizio@doj.ca.gov				
7	Attorneys for Petitioners and Plaintiffs People of California ex rel. Rob Bonta, and the California				
	Department of Housing and Community Development				
9	CLIDEDIOD COLUDT OF TH	E CTATE OF CALLEONNIA			
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
11	COUNTY OF LOS ANGELES				
12					
13 14	PEOPLE OF THE STATE OF CALIFORNIA; CALIFORNIA DEPARTMENT OF HOUSING AND	Case No.			
15		[FROFOSED] STIFULATED FINAL			
1 )	COMMUNITY DEVELOPMENT,	[PROPOSED] STIPULATED FINAL JUDGMENT AND ORDER			
16	Petitioner and Plaintiff,	JUDGMENT AND ORDER			
		JUDGMENT AND ORDER			
16 17 18 19	Petitioner and Plaintiff,	JUDGMENT AND ORDER			
16 17 18	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA	JUDGMENT AND ORDER			
16 17 18 19	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20 21	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20 21 22	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20 21 22 23	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20 21 22 23 24	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			
16 17 18 19 20 21 22 23 24 25	Petitioner and Plaintiff, v.  CITY OF LA HABRA HEIGHTS; CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS; AND DOES 1-50,	JUDGMENT AND ORDER			

Petitioners and Plaintiffs, PEOPLE OF THE STATE OF CALIFORNIA, acting by and through ROB BONTA, Attorney General of the State of California, and the CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, and Respondents and Defendants CITY OF LA HABRA HEIGHTS and THE CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS (collectively, the "Parties"), having stipulated to the entry of this Final Judgment and Order ("Judgment") without the taking of proof and without trial or adjudication of any fact or law herein, and with all Parties having waived the right to appeal; and the Court having considered the pleadings and good cause appearing:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

#### **PARTIES**

- 1. Petitioners/Plaintiffs, the PEOPLE OF THE STATE OF CALIFORNIA, by and through its Attorney General, ROB BONTA, and the DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT ("HCD") (collectively, "the State") are charged with the enforcement of, among other things, the "Housing Element Law."<sup>1</sup>
- 2. Respondent/Defendant CITY OF LA HABRA HEIGHTS is a political subdivision of the State of California, and Respondent/Defendant CITY COUNCIL OF THE CITY OF LA HABRA HEIGHTS is the executive and legislative body of the City of La Habra Heights (collectively, "the City"). The City is a local governmental agency charged with regulating and controlling land use and development within the City's boundaries, including but not limited to complying with all applicable provisions of state law, such as the Housing Element Law.

### **DESCRIPTION OF ACTION**

- 3. The Housing Element Law required the City to adopt a housing element to the City's General Plan that substantially complied with the Housing Element Law by October 15, 2021, for the 2021-2029 Planning Period (also known as the Sixth Cycle). Gov. Code §§ 65302, 65580 *et seq*.
- 4. The City failed to meet the October 15, 2021 deadline. To date, the City has not adopted a compliant Housing Element.

<sup>&</sup>lt;sup>1</sup> Unless specified otherwise, all further statutory references are to the Government Code.

- 5. This Judgment is entered to fully resolve the claims and allegations brought by the State. The State alleges that the City violated the Housing Element Law by failing to perform its statutory duty to timely adopt a legally compliant housing element to its General Plan, in substantial compliance with California laws governing a local jurisdiction's obligations to do so, for the 2021-2029 planning period. This Judgment is entered to fully resolve the claims and allegations made by the State.
- 6. The Parties agree, solely for purposes of entry of this Judgment, that this Court has jurisdiction of the subject matter hereof and over the Parties, venue is proper in this County, and this Court has jurisdiction to enter this Judgment.
- 7. This Judgment is made without trial or adjudication of any issue of fact or law. The Parties voluntarily enter into this Judgment in order to avoid the time, expense, and uncertainty of litigation.
- 8. The Parties agree to resolve all claims and allegations pertaining to this action through this Judgment.

#### **APPLICABILITY**

- 9. All provisions of this Judgment shall be binding upon, and apply to the Parties, including their agents acting within the scope of their agency as well as its successors and assigns with respect to the conduct described in this Judgment.
- 10. The City has and will maintain the full power and authority to undertake the duties and obligations set forth in this Judgment.
- 11. The City shall use reasonable efforts to notify its City Councilmembers, elected officials, officers, directors, employees, and agents responsible for carrying out and effecting the terms of this Judgment and the requirements therein.
- 12. If a separate entity is established or reorganized so that its functions include overseeing or otherwise reviewing the operations of the City or any aspect thereof, the City agrees to ensure these functions and entities are consistent with the terms of this Judgment and will incorporate the terms of this Judgment into the oversight or review functions of the entity as necessary to ensure consistency.

- o. No later than July 8, 2025, the City shall submit the Adopted Housing Element and copies of any associated general plan amendments and zoning ordinance amendments to HCD.
- p. No later than July 14, 2025, the City Council shall conduct a second reading of and adopt any zoning ordinance amendments.
- q. No later than July 15, 2025, and consistent with Government Code section 65588(e)(4)(C)(iii) (which prohibits any finding of substantial compliance with Housing Element Law until the City completes all required rezoning), the City shall submit to HCD its adopted rezoning ordinance completing the required rezoning for adequate sites during the Sixth Cycle 2021-2029 Planning Period under Government Code sections 65583(c)(1)(A) and 65583.2(h) and (i).
- 17. Sixth Cycle Housing Element Revision and Public Participation. The City shall comply with all statutory requirements with regard to its public participation efforts including provisions to make a diligent effort to reach all economic segments of the community pursuant to Government Code section 65583(c)(9) and public noticing pursuant to Government Code section 65585(b)(1). Nothing in this section precludes HCD from receiving and/or considering public comments as required pursuant to Government Code section 65585(c).
- 18. **Technical Assistance from HCD**. HCD shall provide the City with technical assistance with its Sixth Cycle Housing Element Revision as follows:
  - a. HCD staff will commit to at least 2.5 hours per month in technical assistance telephone calls with the City. In connection with these technical assistance telephone calls, the City agrees to make good faith, reasonable progress on the housing element revision process between these calls.
  - b. In order to ensure efficiency in the technical assistance provided by HCD during the housing element review process, the City agrees to make all revisions and edits to its Housing Element in track changes, or to devise some other method of highlighting all revisions and edits to the Housing Element, such that HCD can quickly identify and review the City's revisions and edits.

- In order to allow the City to make timely and efficient revisions to its Housing Element in response to HCD comments, HCD agrees to provide its formal written findings in response to the City's Draft Housing Element and Revised Draft Housing Element by the dates set forth in Paragraph 16, above. Each formal written findings letter will consist of a single set of consolidated comments that identify specific deficiencies in the City's draft housing element and that explains why these sections are deficient and what specific analysis or text HCD expects the City to provide to remedy the deficiency. HCD will provide the City with informal technical assistance, including sample language from other certified housing elements, as applicable, under separate cover from its formal written findings letters. Moreover, HCD agrees to make its best effort to ensure that each written findings letter is exhaustive at the time of its submission, meaning that it will attempt not to identify comments for the first time in subsequent reviews that it could have raised in earlier reviews but did not identify, for whatever reason. This provision does not preclude HCD from identifying new comments on subsequent reviews based on information not provided by the City.
- d. To the extent that HCD is unable to meet its specific deadlines set forth herein, the deadlines for the City's performance herein shall be extended to account for delays attributable to HCD's failure to meet a specific deadline.
- 19. **Agreed Upon Extension to Housing Element Timeline**. In the event that HCD's formal findings as called for by Paragraph 16 request that the City make further changes to the housing element before it can be certified by HCD and if the City has complied with all deadlines in Paragraph 16, then the Parties may execute an amendment to this judgment extending the deadlines in Paragraph 16.
- 20. Compliance with No Net Loss. The City shall maintain sites sufficient to accommodate its Regional Housing Needs Allocation throughout the Sixth Cycle planning period consistent with Government Code section 65863.

- 21. Compliance with the Housing Accountability Act (HAA). The City shall comply with all provisions of the HAA, including but not limited to Government Code section 65589.5(d). The City acknowledges, for the benefit of third parties, that until it has adopted a housing element that is in substantial compliance with the Housing Element Law as set forth herein, or upon a court's determination that the City is in substantial compliance, the City cannot make findings under Government Code section 65589.5(d)(1) or (d)(5), and it shall not deny a housing development project for very low-, low-, or moderate-income households, as defined under Government Code section 65589.5(h)(3), on the basis that the project is inconsistent with the City's zoning ordinance and general plan land use designation.
- 22. Compliance with Duty to Affirmatively Further Fair Housing. The City shall administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and shall take no action that is materially inconsistent with its obligation to affirmatively further fair housing, consistent with Government Code section 8899.50.
- 23. Compliance with Government Code section 65759. The Judgment will require the City to bring its Housing Element (a mandatory element of its general plan) into compliance with a court order under Article 14 of Chapter 3 of Division 1 of Title 7 of the California Government Code. Accordingly, as provided in Government Code section 65759, the California Environmental Quality Act ("CEQA") shall not apply to the City's adoption of the Housing Element or any implementing actions (including, without limitation, amendments to other General Plan elements and amendments to the City's Zoning Ordinance or other Municipal Code provisions identified in the Housing Element); however, the City shall comply with the provisions of Government Code section 65759.

### **Enforcement of Judgment and Remedies**

- 24. **Failure to Comply with Agreed-Upon Terms**. The City's failure to comply with the terms of this Judgment subject it to the provisions set forth under Government Code section 65755, sub. (a) (or any other remedy available at law), in accordance with the terms herein.
- 25. **Remedies Upon Violation**. Immediately upon the City's failure to comply with any of the terms of the Judgment, following notice and an opportunity to cure as provided in Paragraph

27, below, the State may file an order to show cause on an *ex parte* basis with the Court. Following a hearing on the matter and upon a finding by the Court that the City failed to comply with any of the terms in the Judgment, the Court shall elect any or all provision(s) set forth under Government Code section 65755, sub. (a) (or any other remedy available at law), as remedies for the City's violation(s). The Court's elected remedy may modify the remedies in Government Code section 65755 so as to ensure compliance with housing element law and to maximize the City's ability to meet its RHNA for the current cycle, with a particular emphasis on meeting its low- and very low-income RHNA. Should the City continue to fail to comply with any of the terms of this Judgment within a reasonable period following a court order pursuant to this Paragraph, the State may then file a renewed order to show cause seeking any additional remedy under Government Code section 65755, and any other remedy available at law.

- 26. Statutory Penalty Pursuant to Government Code section 65585. In the event that the City does not adopt a Sixth Cycle Housing Element that HCD or the Court finds substantially complies with the law within 12 months of the Effective Date of this Judgment, the State may file an order to show cause on an *ex parte* basis with the Court. After a status conference and upon a finding that the City failed to comply with this Judgment, the statutory penalties under Government Code section 65585(l)(1) shall apply. The parties agree that the terms of Government Code section 65585(m) shall apply here. The City agrees that nothing that has occurred before the signatory date shall constitute the sole basis for any claim for mitigation under Government Code section 65585(m). Continued failure by the City to bring its Sixth Cycle Housing Element into substantial compliance with the Housing Element Law will entitle the State to pursue further penalties in accordance with Government Code section 65585(l).
- 27. **Opportunity to Cure**. Prior to enforcing this Judgment, the State shall provide written notice identifying the terms with which the City has failed to comply. The State shall allow a reasonable time to cure of 15 business days after the City's receipt of written notice before seeking enforcement of the Judgment. To the extent the City must call a special session of its governing bodies (including the City Council) to timely cure any failure to comply with the Judgment, the City shall call such special session.

28. City Challenge of Substantial Compliance. Nothing in this Judgment shall be construed to preclude the City from seeking a judicial determination on whether the City's housing element substantially complies with the Housing Element Law in the event that HCD, pursuant to Government Code section 65585(h), does not find the adopted housing element substantially compliant with the Housing Element Law. If the City seeks a judicial determination on whether the City's housing element substantially complies with the Housing Element Law, the City may file a motion staying enforcement of this Judgment. The State reserves the right to oppose such a request on any basis.

# **Satisfaction of Judgment and Release**

- 29. Execution of this Judgment shall constitute full and final resolution of all disputes related to this action.
- 30. Nothing in this Judgment shall be construed to limit the authority or ability of the Attorney General to assert its right to protect the interests of the State of California or the people of the State of California. This Judgment shall not bar the Attorney General or HCD from investigating and enforcing laws, regulations, or rules against the City for conduct not covered by this Judgment. Further, nothing in this Judgment precludes or affects the Attorney General's right to determine and ensure compliance with this Judgment or individual Petitioners' right to seek enforcement of this Judgment.
- 31. This Judgment shall be deemed satisfied once all obligations under the provisions of this Judgment are fulfilled. Once the City has adopted its certified housing element as well as any zoning ordinance amendments, then the terms of this stipulated judgment will expire effective the date that HCD finds that the adopted housing element is in substantial compliance and that the City has made all necessary zoning ordinance amendments.
- 32. With the exception of the provisions on enforcement and remedies set forth in this Judgment, this Judgment releases and forever discharges any civil claim for damages, costs, attorneys' fees, or penalties of any kind against the City by HCD and the People related to the City's failure to timely adopt its updated housing element for the Sixth Cycle 2021-2029 Planning Period.

- 33. The Attorney General, representing both the People and HCD in this action, executes this release in their official capacity and releases only claims belonging to the Attorney General and HCD.
- 34. The State shall bear their own fees and costs, and the City shall bear its own fees and costs with respect to any claims against the State.
  - 35. This Judgment may be enforced only by the Parties hereto.

# **Miscellaneous Provisions**

- 36. Nothing in this Judgment shall be construed as relieving the City of the obligation to comply with all local, state, and federal laws, regulations, or rules.
- 37. If any portion of this Judgment is held invalid by operation of law, the remaining terms of this Judgment shall not be affected and shall remain in full force and effect.
  - 38. The terms of this Judgment shall be governed by the laws of the State of California.
- 39. This Judgment contains the complete agreement entered into by the Attorney General, HCD, and the City related to the conduct at issue. No promises, representations, or warranties other than those set forth in this Judgment have been made by the Attorney General, HCD, or by the City. This Judgment supersedes all prior communications, discussions, or understandings regarding the City's alleged conduct.
- 40. The Judgment may be modified by a stipulation of the Parties as approved by the Court, or by court proceedings resulting in a modified judgment of the Court.
- 41. Any failure by any party to this Judgment to insist upon the strict performance by any other party of any of the provisions of this Judgment shall not be deemed a waiver of any of the provisions of this Judgment, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Judgment.
- 42. The use of headings in this Judgment is only for ease of reference, and the headings have no legal effect and are not to be considered part of this Judgment.
- 43. Jurisdiction is retained by the Court, under Code of Civil Procedure section 664.6, for the purpose of enabling any party to the Judgment to apply to the Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this

1	Judgment for enforcement of compliance herewith, and for the punishment of violations hereof, if
2	any.
3	44. All notices shall be provided in writing to the following email and overnight mail.
4	For the City:
5	Rafferty Wooldridge
6 7	1245 N. Hacienda Road La Habra Heights, CA 90631 wooldridge@lhhcity.org
8	Todd Litfin
9	Rutan & Tucker, LLP 18575 Jamboree Road. 9 <sup>th</sup> Floor
10	Irvine, CA 92612
11	TLitfin@rutan.com
12	For the State:
13	David Pai
14	California Department of Justice, Office of the Attorney General 1515 Clay Street, Fl. 20
15	Oakland, CA 94612 David.Pai@doj.ca.gov
16	John M. Natalizio California Department of Justice, Office of the Attorney General
17	300 S. Spring Street, Ste. 1702 Los Angeles, CA 90013
18	John.Natalizio@doj.ca.gov
19	45. The Clerk is ordered to enter this Judgment forthwith.
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1	APPROVAL BY COURT
2	THE DE COURT
3	APPROVED FOR FILING and SO ORDERED this day of,
4	2024.
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6	
7	Judge of the Superior Court
8	Judge of the Superior Court
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