DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
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August 10, 2026

Gordon Bonds, Interim City Manager
City of Dos Palos
2174 Blossom Street
Dos Palos, CA 93620

Dear Gordon Bonds:

RE: City of Dos Palos Failure to Adopt a Compliant 6th Cycle Housing Element – Notice of Violation

The City of Dos Palos (City) 6th cycle housing element was due January 31, 2024.[1] The City's most recent housing element draft meets the statutory requirements described in the California Department of Housing and Community Development's (HCD) October 24, 2025, review. However, the housing element cannot be found in substantial compliance until the City has completed and submitted the necessary rezones. While HCD recognizes that the City provided several drafts and timelines to work toward compliance, the City's proposed date of December 2026 or early 2027, for completion of annexation and adoption of its rezone ordinance is unsatisfactory. This timeline would delay HCD's determination of whether the City achieves substantial compliance until 2027, nearly three years past its statutory due date. Therefore, the City is in violation of Housing Element Law.[2]

Under Government Code section 65585, subdivision (i)(1)(A), HCD has the authority to review any action or failure to act that it determines to be inconsistent with either an adopted housing element or Government Code section 65583 and to issue written findings of such noncompliance. Additionally, HCD must notify a local government when that local government takes actions that violate Government Code section 65583 and may refer such violations to the California Office of the Attorney General.[3]

6th Cycle Housing Element Submission and Review History

The 6th cycle planning period for the City is January 31, 2024, through January 31, 2032. The City failed to adopt a compliant housing element by its 6th cycle due date of January 31, 2024. HCD records are as follows:

[1] Gov. Code, § 65588, subd. (e)(3).
[2] Gov. Code, § 65585.
[3] Gov. Code, § 65585, subds. (i)(1)(A) and (j).

- On July 2, 2024, the City submitted an initial draft housing element to HCD for review.
- On September 30, 2024, HCD issued a findings letter to the City noting multiple revisions necessary for the housing element to be substantially compliant with Housing Element Law.
- On March 14, 2025, the City submitted a subsequent draft housing element to HCD for review.
- On May 8, 2025, HCD issued a second findings letter to the City noting revisions were still necessary for the housing element to be substantially compliant with Housing Element Law.
- On August 27, 2025, the City submitted a subsequent draft housing element to HCD for review.
- On October 24, 2025, HCD issued a third findings letter to the City noting that revisions, including rezones, were necessary to comply with Housing Element Law.
- On November 18, 2025, the City submitted a subsequent draft housing element to HCD for review.
- On November 24, 2025, HCD issued a fourth findings letter to the City noting the draft housing element met the statutory requirements described in HCD's October 24, 2025 review. However, the housing element cannot be found in substantial compliance until the City completes its required rezones, and both the housing element and rezones are adopted, submitted to, and approved by HCD.
- On April 16, 2026, the City submitted an adopted housing element to HCD for review. On June 8, 2026, in response to preliminary comments from HCD, the City rescinded the submittal in an email in order to address HCD's comments. The request included a timeline that estimates completion of the Zoning Code amended text with a prezone map in July of 2026. However, the annexation necessary to implement rezones would not be completed until late 2026 or early 2027.
- As of the date of this letter and as noted above, the City has failed to achieve substantial compliance with Housing Element Law.

Technical Assistance Offered

HCD has made resources and technical assistance available to assist local jurisdictions in creating comprehensive housing elements. This includes $123 million in planning grants for regions, cities, and counties to prepare, adopt, and implement plans that streamline housing approvals and accelerate housing production. Under that program, the City was eligible for but did not apply for a grant through the SB 2 Program. The City was also eligible for $150,000 through the Local Early Action Planning Grant (LEAP) for local planning activities but withdrew from the grant without expending funds.

Consequences of Noncompliance

Consequences apply if the City does not have a housing element in substantial compliance with Housing Element Law. First, noncompliance results in ineligibility or delay in receiving state funds that require a compliant housing element as a condition precedent, including, but not limited to, the following:

- Permanent Local Housing Allocation Program
- Local Housing Trust Fund Program
- Infill Infrastructure Grant Program
- Senate Bill 1 Caltrans Sustainable Communities Grants
- Affordable Housing and Sustainable Communities Program

Second, under the Housing Accountability Act, jurisdictions that do not have a substantially compliant housing element are subject to the Builder's Remedy.[4]

In addition, HCD may notify the California Office of the Attorney General.[5] Furthermore, state law provides for court-imposed penalties for persistent noncompliance, including enhanced financial penalties. Government Code section 65585, subdivision (l)(1), establishes a minimum fine of $10,000 per month, up to $100,000 per month for jurisdictions that fail to comply with a court order to bring its housing element into compliance. If a jurisdiction remains noncompliant, a court may multiply those penalties by a factor of three and then six, depending on the duration of the continued noncompliance.[6] If a jurisdiction fails to comply after six months from the imposition of fees, the court may also appoint a receiver.[7]

Finally, in any action brought by the Attorney General or HCD to enforce the adoption of housing element revisions, jurisdictions are subject to additional fines of between $10,000 and $50,000 per month for each violation, accrued from the date of the violation until the date the violation is cured, including investigation costs, expert fees, attorneys' fees, costs, and any other relief the court deems appropriate.[8]

Findings and Conclusion

HCD finds that the City has failed to adopt a substantially compliant housing element and is therefore in violation of state law. Pursuant to Government Code section 65585, subdivision (i)(1)(A), the City has until September 9,2006 to provide a written response

[4] Gov. Code, § 65589.5, subds. (d)(6), (f)(6), and (h)(11).
[5] Gov. Code, § 65585, subd. (j).
[6] Gov. Code, § 65585, subds. (l)(2) and (3).
[7] Gov. Code, § 65585, subd. (l)(3)(B).
[8] Gov. Code, § 65009.1, subd. (a).

to this notice before HCD takes any of the actions authorized by section 65585, including, but not limited to, referral to the California Office of the Attorney General.

In addition, pursuant to Government Code Section 65585, subdivision (k), HCD hereby offers two meetings within the next 30 days to discuss the City's violations and its failure to adopt a substantial compliant housing element.

State housing laws are effective only with the cooperation of local governments. HCD understands that local governments may encounter staffing and resource constraints in their efforts to gain compliance. However, housing elements, and the timely implementation thereof, are essential to developing a blueprint for growth and are a vital tool to address California's prolonged housing crisis. To meet the 6th cycle update requirements for a substantially compliant housing element, the City must consider HCD's written findings from previous drafts, make a draft housing element available for public comment, adopt the housing element, and submit it to HCD for review and certification before it can be considered compliant.[9]

If you have any questions or would like to discuss the contents of this letter, please contact Mary Milner of our staff at mary.milner@hcd.ca.gov.

Sincerely,



Melinda Coy
Housing Accountability Unit Chief

[10] Gov. Code, § 65585, subds. (b)-(h).