

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

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October 8, 2025

Jason Ridenour, City Administrator
City of Exeter
100 North C Street
Exeter, CA 93221

Dear Jason Ridenour:

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

The City of Exeter's (City) 6th cycle housing element was due December 31, 2023.¹ The City's most recent housing element draft does not comply with statutory requirements.² In addition, the City failed to achieve compliance by its target date of March 2025 as stated in the City's May 15, 2024, response to the Letter of Inquiry sent by the California Department of Housing and Community Development (HCD) on May 13, 2024. Moreover, the City failed to propose a revised timeline of milestones leading to compliance after multiple requests by HCD and is nearly two years past its statutory due date. Therefore, the City is in violation of Housing Element Law.³

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.⁴

6th Cycle Housing Element Submission and Review History

The 6th cycle planning period for the City is December 31, 2023, through December 31, 2031. The City failed to adopt a compliant housing element by its 6th cycle due date of December 31, 2023. HCD records are as follows:

¹ Gov. Code, § 65588, subd. (e)(3).

² Gov. Code, § 65580 et seq.

³ Gov. Code, § 65585.

⁴ Gov. Code, § 65585, subds. (i)(1)(A) and (j).

- On July 29, 2024, the City submitted an initial draft housing element to HCD for review.
- On October 22, 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 April 21, 2025, the City submitted a subsequent draft to HCD for review.
- On June 16, 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 May 13, 2024, HCD issued a Letter of Inquiry to the City regarding noncompliance with Housing Element Law. The letter requested that, by June 13, 2024, the City provide a specific timeline for (1) submitting an updated draft housing element and (2) obtaining compliance with Housing Element Law.
- On May 15, 2024, the City responded by providing a timeline of events that targeted March 2025 as the date for submitting its housing element to HCD, in order to achieve compliance. The City did not submit a draft housing element by this date.
- On April 9, 2025, HCD emailed the City to request a status update on the City's housing element. The Tulare County Association of Governments responded and indicated the draft would be going out for public review the following day and expected to submit the draft to HCD for formal review within a week.
- On April 21, 2025, the City submitted a subsequent draft housing element to HCD for review.
- On June 16, 2025, HCD issued a third findings letter to the City noting revisions were still necessary for the housing element to be substantially compliant with Housing Element Law.
- On August 29, 2025, HCD emailed the City to request a complete, updated timeline for housing element submission and compliance, no later than September 5, 2025.
- As of the date of this letter, HCD has not received any correspondence including the requested timeline, and the City has failed to submit a revised housing element since receiving HCD's third findings letter.

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, and received, an award of \$65,000 through the Local Early Action Planning Grant (LEAP) for local planning activities. However, the City failed to submit an application through SB 2 for local planning activities.

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 to receive 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.⁵

In addition, HCD may notify the California Office of the Attorney General.⁶ 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.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 If a jurisdiction fails to comply after six months from the imposition of fees, the court may also appoint an agent to take all actions necessary to bring the jurisdiction's housing element into substantial compliance and remedy deficiencies.⁹

Findings and Conclusion

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 November 7, 2025 to provide a written response 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.

⁵ Gov. Code, § 65589.5, subds. (d)(6), (f)(6), and (h)(11).

⁶ Gov. Code, § 65585, subd. (j).

⁷ Gov. Code, § 65585, subds. (l)(2) and (3).

⁸ Gov. Code, § 65009.1, subd. (a).

⁹ Gov. Code, § 65585, subd. (l)(3)(B).

In addition, pursuant to Government Code section 65585, subdivision (k), HCD hereby offers the City two meetings in person or via telephone within the next 30 days to discuss the City's violations and its failure to adopt a substantially 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 regarding 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.¹⁰

If you have any questions or would like to discuss the contents of this letter, please contact Leslie Woodman at Leslie.Woodman@hcd.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Zisser', with a long horizontal flourish extending to the right.

David Zisser
Assistant Deputy Director
Local Government Relations and Accountability

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