DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 651 Bannon Street, Suite 400 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



May 28, 2025

Mark Linder, Interim Town Manager Town of Portola Valley 765 Portola Road Portola Valley, CA 94028

RE: Town of Portola Valley – Successful Completion of Required Rezones

Dear Mark Linder:

Thank you for submitting Ordinance No. 2025-452 and Ordinance No. 2025-453 to the California Department of Housing and Community Development (HCD), received for review on April 28, 2025, in response to HCD's March 26, 2024 letter revoking housing element compliance and October 16, 2024 technical assistance letter requesting revisions to rezone documentation submitted on July 26, 2024.

On March 26, 2024, HCD found that the Town had failed to implement the required rezone actions in Programs 1-1a, 1-1b, and 1-6 included in its housing element pursuant to Government Code section 65583, and that this failure brought the Town's housing element out of substantial compliance with State Housing Element Law. Consequently, HCD revoked its finding of compliance for the Town's housing element, as authorized by Government Code section 65585, subdivision (i)(1)(B), and stated this revocation would remain in effect until the Town completed required rezone actions in Programs 1-1a, 1-1b, and 1-6.

On July 17, 2024, HCD received Ordinance No. 2941-24, Ordinance No. 2942-24, and Resolution No. 2926-23 and accompanying modified general plan land use maps from the Town in response to the revocation letter. The Town also submitted supplemental documents on July 26, 2024. HCD reviewed the documentation submitted by the Town and determined that, while the ordinances and general plan amendments met several requirements of state law, the Town still needed to demonstrate the rezonings meet all requirements in Government Code section 65583.2, subdivisions (h) and (i).

HCD's review of Ordinance No. 2025-452 and Ordinance No. 2025-453 finds the Town has satisfied the requirements described in HCD's October 16, 2024 letter; thereby completing required rezoning actions in Programs 1-1a, 1-1b, and 1-6. HCD had previously considered documentation submitted in July of 2024. Therefore, HCD is pleased to find the Town's housing element substantial in compliance with Housing Element Law (Gov. Code, § 65580 et seq).

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While the adopted element now addresses the statutory requirements described in HCD's March 26, 2024 letter by implementing Programs 1-1a, 1-1b, and 1-6, the Town must continue timely and effective implementation of all housing element programs.

HCD looks forward to continuing to collaborate with the Town in meeting the commitments in the housing element. Please feel free to contact Reid Miller, of our staff, at <u>Reid.Miller@hcd.ca.gov</u> with any questions or additional information.

Sincerely,

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Melinda Coy Proactive Housing Accountability Chief