

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

651 Bannon Street, Suite 400  
Sacramento, CA 95811  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



May 16, 2025

Benjamin K Moody, Director  
Public Works and Development Services  
City of Yuba City  
1201 Civic Center Blvd.  
Yuba City, CA 95993

**RE: City of Yuba City Housing Element Implementation – Corrective Action Letter**

Dear Benjamin K. Moody:

The California Department of Housing and Community Development (HCD) has reviewed the City of Yuba City's (City) obligations under the housing element and hereby issues its written findings that the City has failed to implement Program H-C-7 (2013-2021 and 2021-2029 Regional Housing Need) to rezone sites identified in its adopted housing element to satisfy its lower-income Regional Housing Needs Allocation (RHNA) shortfall.

HCD requests that the City review this correspondence and provide a written response to these findings within 30 days and no later than June 16, 2025. HCD will review and consider the City's written response before taking any action authorized by Government Code section 65585, subdivisions (i) and (j). As noted below, such action could include revoking HCD's finding that the City's housing element is in substantial compliance with Housing Element Law and/or referral to the Office of the Attorney General.

**Housing Element Law**

HCD must review any action or failure to act by a City that it determines to be inconsistent with an adopted housing element or section 65583 generally, and it must issue written findings to the City accordingly.<sup>1</sup> HCD must give the City a reasonable time, no longer than 30 days, to respond to these findings.<sup>2</sup> If HCD does not receive a written response from the City within 30 days, or the response does not demonstrate that the program action has been implemented, then HCD will revoke its findings that the City's housing element substantially complies with State Housing Element Law.<sup>3</sup>

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<sup>1</sup> Gov. Code, § 65585, subd. (i)(1)

<sup>2</sup> Gov. Code, § 65585, subd. (i)(1)(A)

<sup>3</sup> Gov. Code, § 65585, subd. (i)(1)(B)

## Findings

On May 5, 2022, HCD found the City's housing element in substantial compliance with Housing Element Law. HCD based its compliance finding on, among other things, a commitment to implement housing element Program H-C-7. This program committed to identifying and rezoning at least 10.4 acres on sites identified in Table 5-8 of the housing element to accommodate the City's RHNA shortfall of 208 units prior to May 15, 2022.

On August 14, 2024, HCD sent the City a Letter of Inquiry requesting an update on the City's progress implementing rezone actions in Program H-C-7. The City provided a written response on August 29, 2024, informing HCD that the City had adopted resolutions and approved ordinances in support of the program on May 2, 2023 and May 16, 2023, respectively. Further communication with City staff on January 2, 2025, indicated that the sites rezoned were not ones identified in the housing element.

On February 12, 2025, HCD sent a Letter of Technical Assistance (TA letter) to the City regarding the implementation of Program H-C-7 that acknowledged the City rezoned more sites than required, but noted the rezoned sites were not identified in the City's certified housing element Table 5-8 as candidate sites for rezoning to accommodate the shortfall of lower-income units and were therefore not analyzed to demonstrate that the sites are adequate to accommodate the City's lower-income RHNA pursuant to Government Code section 65583.2. In addition, the rezoning ordinances do not indicate if the City permits owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. As a result of this determination, HCD requested the City provide a draft housing element revision to HCD pursuant to Government Code section 65585, subdivision (b)(1) to demonstrate that these sites meet the provisions of State Housing Element Law.

Despite HCD's February 12, 2025 TA letter clearly indicating a housing element amendment was necessary to provide analysis for the sites inventory and zoning to reflect all changes made in the Citywide Rezone Program the City responded on March 20, 2025 informing HCD that the City was unclear why the housing element had to be amended to include the newly identified and rezoned sites. The response from the City did not include a timeline for immediate housing element amendment and submittal as requested by HCD in the TA letter. As a reminder, the City must demonstrate that sites identified to accommodate the RHNA are suitable for residential development within the planning period pursuant to Government Code section 65583.2.

Based upon the City's March 20, 2025 and January 2, 2025 correspondence, HCD finds that the City has failed to implement this required rezone program action within the statutorily required timeframe.

### **Next Steps**

HCD provides the City until June 16, 2025, to send a written response to these findings. If you have questions, need additional information, or wish to schedule a meeting, please contact me at [Melinda.Coy@hcd.ca.gov](mailto:Melinda.Coy@hcd.ca.gov) or Fidel Herrera at [Fidel.Herrera@hcd.ca.gov](mailto:Fidel.Herrera@hcd.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', followed by a long, sweeping horizontal stroke.

Melinda Coy  
Proactive Housing Accountability Chief