GAVIN NEWSOM, Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



May 31, 2024

Jeff Mitchem, City Administrator City of Etna 442 Main Street Etna, CA 96027

Dear Jeff Mitchem:

RE: City of Etna's 6th Cycle (2023-2031) Adopted Housing Element

Thank you for submitting the City of Etna's housing element which was adopted on March 25, 2024 and received on April 3, 2024, along with modifications received on May 28, 2024. All modifications were authorized by Resolution Number 2024-002 and made available to the public for seven days before HCD's review. Pursuant to Government Code section 65585, HCD is reporting the results of its review.

HCD is pleased to find the adopted housing element, including all modifications, in substantial compliance with State Housing Element Law (Gov. Code, § 65580 et seq) as of the date of this letter. The adopted element, including all modifications, meets the requirements described in HCD's February 7, 2024 review.

Additionally, the City must continue timely and effective implementation of all programs including but not limited to the following:

- Program HE.1.3.3 (Procedures for Water and Sewer Connections)
- Program HE.2.2.1 (Multifamily Development in R-3 Zone)
- Program HE.2.2.2 (Fees and Affordable Housing)
- Program HE.2.2.3 (Update Conditional Use Permit Findings)
- Program HE.2.2.4 (Small Lot Consolidation)
- Program HE.2.3.1 (Local Density Bonus Procedures)
- Program HE.2.3.2 (Reduce Parking Requirements)
- Program HE.2.3.3 (ADU Ordinance Update)
- Program HE 3.1.2 (Housing Conservation)
- Program HE.3.2.1 (Establish a Replacement Housing Policy)
- Program HE.4.2.1 (Zoning for a Variety of Housing Types)
- Program HE 4.2.2 (Emergency Shelters)
- Program HE.4.2.4 (Definition of Family)
- Program HE.4.2.5 (Group Homes)

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- Program HE.4.2.6 (Reasonable Accommodation)
- Program HE.5.1.1 (Extremely Low-income Households)
- Program HE.5.1.2 (State and Federal Funding)
- Program HE.5.1.3 (Promote Programs to Affordable Housing Developers)
- Program HE.7.1.2 (AFFH Action Plan)

The City must monitor and report on the results of these and other programs through the annual progress report, required pursuant to Government Code section 65400. Please be aware, Government Code section 65585, subdivision (i) grants HCD authority to review any action or failure to act by a local government that it determines is inconsistent with an adopted housing element or housing element law. This includes failure to implement program actions included in the housing element. HCD may revoke housing element compliance if the local government's actions do not comply with state law.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities program, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City now meets housing element requirements for these and other funding sources.

HCD appreciates the dedication and work put into the housing element update and review process. HCD also applauds the leadership and collaboration of the City taking meaningful steps towards compliance. HCD wishes the City of Etna success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports pursuant to Government Code section 65400. If HCD can provide assistance in implementing the housing element, please contact Jed Hackett at Jed.Hackett@hcd.ca.gov.

Sincerely,

Paul McDougall Senior Program Manager