



June 30, 2021

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CITY COUNCIL**

Judy Ritter
Mayor

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Deputy Mayor

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Councilmember

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Councilmember

Katie Melendez
Councilmember

**CITY MANAGER
Patrick Johnson**

The Honorable Scott Wiener
Chair, Senate Housing Committee
State Capitol, Room 2209
Sacramento, CA 95814

**Re: AB 215 (Chiu): Housing Element. Regional Housing Need. Relative Progress
Determination. As amended on April 5, 2021 – Notice of Opposition**

Dear Senator Wiener,

The City of Vista must respectfully oppose AB 215, which would create a new, mid-cycle regional housing needs progress determination process and mandates cities and counties with “low progress” in meeting those housing targets to consult with the California Department of Housing and Community Development (HCD) and adopt pro-housing policies. Our chief concern is regarding the mandate to achieve HCD’s designation as a “prohousing” jurisdiction.

As you know, the 2019 Budget Act included language declaring it was the state's intent to incentivize jurisdictions to create prohousing environments at the local level through the form of additional points when applying for competitive housing and infrastructure grant programs. Specifically, the language directed HCD to promulgate emergency regulations no later than July 1, 2021, to establish a prohousing designation program that determines whether a city or county has enacted local policies and strategies to accelerate housing development. AB 215 turns what was intended only two years ago to be an incentive program into a mandatory requirement for cities and counties to adopt state-supported policies and strategies regardless of whether those policies and strategies would result in increased housing development in a given community, whether those policies and strategies are appropriate for the type of community (e.g. urban, suburban, rural), and whether those policies and strategies are supported by the community.

Earlier this month, HCD released the proposed emergency regulations for the prohousing designation program and began the process to adopt them. While the emergency regulations appear to be flexible enough to allow many types of local jurisdictions to achieve the designation, we are concerned, however, that the regulations appear to require direct financial subsidies of affordable housing projects in order to achieve the designation. While many jurisdictions help subsidize affordable housing with limited local funds, it may be difficult for jurisdictions with limited budgets or lower tax bases to meet this requirement.

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AB 215 conflicts with the City of Vista's interests in maintaining local control and its support of efforts to provide flexibility in meeting RHNA requirements. In addition, we are concerned with the additional mid-cycle housing element review process and question whether the "relative progress" metric it relies upon is well-calibrated to produce the intended outcome. California's regions are incredibly diverse, with significant variation in local economies. In most cases, a lower rate of "relative progress" toward RHNA goals will simply be a reflection of economic realities.

In cases where lack of housing construction is related to a jurisdiction failing to meet its housing element obligations, several recent changes in the law have given the State new enforcement tools. HCD can review any action or failure to act by a jurisdiction that is inconsistent with the jurisdiction's adopted housing element, including a failure to implement its housing element programs; revoke the Department's prior findings that a jurisdiction's housing element is compliant; and refer a non-compliant jurisdiction to the Attorney General. The Attorney General, in turn, can bring the local agency to court to compel compliance with non-compliant jurisdictions becoming subject to significant fines. Rather than create a new mid-cycle housing element review process that is unlikely to be exclusively targeted at jurisdictions that are failing to meet their obligations, the State should remain focused on using the tools in existing law to promote housing element adoption and implementation.

The City of Vista is committed to aiding the state meet its housing goals, however, we cannot support the transition of an incentive-based approach to a mandatory HCD program.

For these reasons, the City of Vista opposes AB 215.

Sincerely,



Judy Ritter
Mayor

cc: The Honorable David Chiu
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