



SAN DIEGO HOUSING FEDERATION
PROMOTING QUALITY AFFORDABLE HOUSING AND COMMUNITY
DEVELOPMENT THROUGHOUT SAN DIEGO COUNTY

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July 31, 2004

Sunne Wright McPeak
Secretary
Business, Transportation and Housing Agency
980 9th Street, Suite 2450
Sacramento, CA 95814-2719

Dear Secretary McPeak:

Thank you for inviting the San Diego Housing Federation to participate in your listening sessions regarding your land use proposals. We have the following comments that we would like to place on the record:

- a. Planning for the 20 year land supply should be regional to allow the cities within the region to identify the best Smart Growth areas to accommodate growth. It would be “dumb growth” to require some smaller communities with no transit or other access to meet an arbitrary goal that could be met more reasonably in a larger context of intra-regional planning. For example, the SANDAG *Regional Comprehensive Plan* that was recently approved by the Board of Directors calls for sub regional planning around “Smart Growth Opportunity Areas.”
- b. Regional planning areas should be based on commuting patterns, not jurisdiction boundaries. For example, southwestern Riverside County should be included in the San Diego region for land use planning purposes.
- c. San Diego County is out of land so our growth will have to occur in the existing built communities. The Number One obstacle to this is the cost of infrastructure upgrades. Prior to Prop 13, a significant percentage of the City of San Diego’s budget was spent on infrastructure maintenance and improvements. Since that time maintenance has been forgone and our built communities want to see it fixed. It is unfair and anti-housing to require new development to pay all of the costs of the infrastructure upgrades that will benefit the entire community. The state must find a way to support infrastructure development if we are going to address the housing supply problem with infill and redevelopment.
- d. Create an additional incentive for smart growth by block-granting all state housing funds to the COGs with the direction that they be used to incentivize

smart growth. SANDAG will be doing this with their transportation dollars that are generated by a local sales tax.

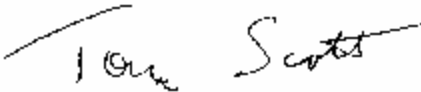
- e. Develop a statewide education campaign with the Governor as the spokesperson explaining why the taxpayers should be come YIMBYs. Local elected officials will not even discuss the possibility of re-zoning for higher density because they know that they won't be re-elected. Policy wonks understand what we have to do and why it is vital to do it, but we have failed to educate the broader population that only thinks of the impacts on their property values, their children and their commute. We need a significant and long term public education campaign that convinces folks to not only welcome neighborhood change, but vote for taxes to make it happen.
- f. Existing inclusionary programs are working. For example, all five of the Prop 46 MHP grants for San Diego County have gone to inclusionary deals so that the cost to the market rate developer of \$500,000+ homes is the land. There should be no change until a new funding source that is equivalent to the current level of state funding plus the current investment of the private sector in inclusionary housing.

In addition we have the following suggestions for improving the state's housing production programs:

- a. Combine the housing finance programs into a single agency.
- b. Seek fiscal reform that rewards cities for housing development not retail development.

Thanks for your hard work on this. It is a difficult task, but our future as a viable state demands that we try to make it happen. We stand ready to assist you in your efforts.

Warm regards,

A handwritten signature in black ink that reads "Tom Scott". The signature is written in a cursive, slightly slanted style.

Tom Scott
Executive Director