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August 30, 2021

Board of Supervisors County of San Diego 1600 Pacific Highway, Room 402 San Diego, CA 92101

Submitted via email: <a href="mailto:publiccomment@sdcounty.ca.gov">publiccomment@sdcounty.ca.gov</a>

RE: Item #6 (Innovative Housing Trust Fund); Item #7 (Transformative Housing Solutions); HA Item #1 (Creating a Plan to Increase Project-Based Vouchers)

Dear Chair Fletcher and Board of Supervisors:

On behalf of the San Diego Housing Federation, I am writing to submit comments on three critical housing policies being considered by the Board this week. Founded in 1990, the San Diego Housing Federation (SDHF) serves as the collective voice of those who support, build, and finance affordable homes in the San Diego region. We would like to thank Supervisors Lawson-Remer, Vargas, and Anderson for their leadership in bringing forward these items and are pleased to support this package of housing solutions. We would also like to offer our feedback to strengthen the proposed policies.

## Item # 6: Advancing immediate and long-term housing priorities through the Innovative Housing Trust Fund

We strongly support the proposal to place \$20 million into the Innovative Housing Trust Fund (IHTF) and the proposed changes to the criteria and preferences for the fund's NOFA. We are pleased to see the recommendations in our letter to the Board of Supervisors on April 2, 2021 to utilize IHTF as a first-dollar in to be leveraged with other sources and prioritize investment of these funds throughout San Diego County included in this policy proposal. These changes will make the region more competitive for federal and state housing funds as well as ensure that these dollars have an impact on the housing need in communities across the County.

In accordance with California's Affirmatively Furthering Fair Housing law (<u>AB 686</u>, 2018) and in alignment with preferences for state housing funding programs, we recommend that the NOFA also include a preference to meet statewide AFFH goals. This change will also help to make progress on Policy H-6.7 of the County's Housing Element to "ensure that the implementation of housing programs and delivery of housing services are conducted in a manner that promotes equal access to housing and opportunities." <sup>1</sup>

We further recommend that the County identify and commit dedicated revenue for the IHTF. The IHTF has relied on Board investment of general fund revenues, creating uncertainty in ongoing available gap financing for affordable housing. We suggest the County dedicate all or a portion of

<sup>&</sup>lt;sup>1</sup> 6<sup>th</sup> Cycle Housing Element Update, County of San Diego General Plan, p. 27

funds the County receives from redevelopment dissolution, sometimes known as "boomerang funds," as a dedicated source of revenue for the IHTF. The County can also dedicate the majority of funds it receives from the Permanent Local Housing Allocation (SB 2, 2017) as an ongoing and local funding source. Identifying an ongoing and dedicated source for the IHTF can help the County toward Policy H-3.1 of the County's Housing Element to "pursue funding from federal, State, and local sources to expand affordable housing opportunities within the unincorporated County."<sup>2</sup>

## Item # 7: Transformative housing solutions that advance equity, sustainability, and affordability for all

This proposal offers a significant opportunity for the County of San Diego to adopt a data-based approach to addressing housing needs that identifies the scale of the problem and will lead us to solutions that rise to that scale. With an informed and inclusive approach, the County can pursue meaningful policy changes that will address the many challenges described in the Board letter. We look forward to bringing along the expertise of our members, the affordable housing sector, to participate and support this process. We support the proposal to develop a stakeholder outreach plan to inform the research and evaluation process for this effort and offer our support with outreach to the affordable housing community. We also recommend that, in addition to the list outlined in the Board letter, individuals with lived experience of homelessness are included in the stakeholder outreach.

## HA Item # 1: Expanding affordable housing opportunities through project-based vouchers

We strongly support the proposal to expand the County's use of project-based vouchers. The Board letter outlines the several ways that County use of PBVs can increase the supply of deed-restricted affordable housing and support tenants. The use of PBVs can create housing stability for residents, improved access to housing, and access to the supportive services that affordable and supportive housing provide. For these reasons, we are very pleased to see this proposal come forward for consideration. As suggested in this letter above related to the IHTF, we also recommend that Board direction for this item include a priority for projects that achieve AFFH goals. With the restoration of the federal AFFH rule, this change can help to ensure this policy complies with federal mandates as well as state law.

We thank you for your leadership on these important housing policies and for your consideration of our comments. We look forward to continuing to work with the County of San Diego to increase our region's supply of affordable homes.

Sincerely,

Laura Nunn

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Chief of Policy & Education

<sup>&</sup>lt;sup>2</sup> 6<sup>th</sup> Cycle Housing Element Update, County of San Diego General Plan, p. 25