CALIFORNIANS FOR HOMEOWNERSHIP

CHRISTIAN GARCIA
CHRISTIAN@CAFORHOMES.ORG
TEL: (213) 739-8206

June 27, 2022

VIA EMAIL

Planning Commission
Santa Ana
20 Civic Center Plaza, Conf. Room 1600
Santa Ana, CA
Email: PBAecomments@santa-ana.org

RE: 1814 and 1818 East First Street
Site Plan Review No. 2022-03

To the Planning Commission:

Californians for Homeownership is a 501(c)(3) organization devoted to using legal tools to address California's housing crisis. We are writing regarding the 1814 and 1818 East First Street project. The City's approval of this project is governed by the Housing Accountability Act, Government Code Section 65589.5. For the purposes of Government Code Section 65589.5(k)(2), this letter constitutes our written comments submitted in connection with the project.

The Housing Accountability Act generally requires the City to approve a housing development project unless the project fails to comply with "applicable, objective general plan, zoning, and subdivision standards and criteria, including design review standards, in effect at the time that the application was deemed complete." Gov. Code § 65589.5(j)(1). To count as "objective," a standard must "involve[e] no personal or subjective judgment by a public official and be[] uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official." Gov. Code § 65589.5(h)(8). In making this determination, the City must approve the project if the evidence "would allow a reasonable person to conclude" that the project met the relevant standard. Gov. Code § 65589.5(f)(4). Projects subject to modified standards pursuant to a density bonus are judged against the City's standards as modified. Gov. Code § 65589.5(j)(3).

The City is subject to strict timing requirements under the Act. If the City desires to find that a project is inconsistent with any of its land use standards, it must issue written findings to that effect within 30 to 60 days after the application to develop the project is determined to be complete. Gov. Code § 65589.5(j)(2)(A). If the City fails to do so, the project is deemed consistent with those standards. Gov. Code § 65589.5(j)(2)(B).

525 S. Virgil Avenue
Los Angeles, CA 90020

If the City determines that a project is consistent with its objective standards, or a project is deemed consistent with such standards, but the City nevertheless proposes to reject it, it must make written findings, supported by a preponderance of the evidence, that the project would have a "specific, adverse impact upon the public health or safety," meaning that the project would have "a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete." Gov. Code § 65589.5(j)(1)(A); *see* Gov. Code § 65589.5(k)(1)(A)(i)(II). Once again, "objective" means "involving no personal or subjective judgment by a public official and being uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official." Gov. Code § 65589.5(h)(8).

Even if the City identifies legally sufficient health and safety concerns about a project, it may only reject the project if "[t]here is no feasible method to satisfactorily mitigate or avoid the adverse impact . . . other than the disapproval of the housing development project . . . ." Gov. Code § 65589.5(j)(1)(B). Thus, before rejecting a project, the City must consider all reasonable measures that could be used to mitigate the impact at issue.

For projects that provide housing for lower-income families, the Act is even more restrictive. In many cases, the City must approve such a project even if it fails to meet the City's objective land use standards. *See* Gov. Code § 65589.5(d).

These provisions apply to the full range of housing types, including single-family homes, market-rate multifamily projects, and mixed-use developments. Gov. Code § 65589.5(h)(2); *see Honchariw v. Cty. of Stanislaus*, 200 Cal. App. 4th 1066, 1074-76 (2011). And the Legislature has directed that the Act be "interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, housing." Gov. Code § 65589.5(a)(2)(L).

When a locality rejects or downsizes a housing development project without complying with the rules described above, the action may be challenged in court in a writ under Code of Civil Procedure Section 1094.5. Gov. Code § 65589.5(m). The legislature has significantly reformed this process over the last few years in an effort to increase compliance. Today, the law provides a private right of action to non-profit organizations like Californians for Homeownership. Gov. Code § 65589.5(k). A non-profit organization can sue without the involvement or approval of the project applicant, to protect the public's interest in the development of new housing. A locality that is sued to enforce Section 65589.5 must prepare the administrative record itself, at its own expense, within 30 days after service of the petition. Gov. Code § 65589.5(m). And if an enforcement lawsuit brought by a non-profit organization is successful, the locality must pay the organization's attorneys' fees. Gov. Code § 65589.5(k)(2). In certain cases, the court will also impose fines that start at $10,000 per proposed housing unit. Gov. Code § 65589.5(k)(1)(B)(i).

In recent years, there have been a number of successful lawsuits to enforce these rules:

- In *Honchariw*, 200 Cal. App. 4th 1066, the Court of Appeal vacated the County of Stanislaus's denial of an application to subdivide a parcel into eight lots for the development of market-rate housing. The court held that the county did not identify any objective standards that the proposed subdivision would not meet, and therefore violated the Housing Accountability Act in denying the application.

- In *Eden Housing, Inc. v. Town of Los Gatos*, Santa Clara County Superior Court Case No. 16CV300733, the court determined that Los Gatos had improperly denied a subdivision application based on subjective factors. The court found that the factors cited by the town, such as the quality of the site design, the unit mix, and the anticipated cost of the units, were not objective because they did not refer to specific, mandatory criteria to which the applicant could conform.

- *San Francisco Bay Area Renters Federation v. Berkeley City Council*, Alameda County Superior Court Case No. RG16834448, was the final in a series of cases relating to Berkeley's denial of an application to build three single family homes and its pretextual denial of a demolition permit to enable the project. The Court ordered the city to approve the project and to pay $44,000 in attorneys' fees.

- In *40 Main Street Offices v. City of Los Altos*, Santa Clara County Superior Court Consolidated Case Nos. 19CV349845 & 19CV350422, the court determined that the Los Altos violated the Housing Accountability Act, among other state housing laws, by failing to identify objective land use criteria to justify denying a mixed-use residential and commercial project. The City was ultimately forced to pay approximately $1 million in delay compensation and attorneys' fees in the case.

- In *Californians for Homeownership v. City of Huntington Beach*, Orange County Superior Court Case No. 30-2019-01107760-CU-WM-CJC, a case brought by our organization, the court ruled that Huntington Beach violated the Housing Accountability Act when it rejected a 48-unit condominium project based on vague concerns about health and safety. Following the decision, the City agreed to pay $600,000 in attorneys' fees to our organization and two other plaintiffs.

In other cases, localities have settled lawsuits by agreeing to approve the subject projects and pay tens or hundreds of thousands of dollars in legal expenses.

Sincerely,

Christian Garcia