



City Manager

May 31, 2023



Honorable Michael T. Smyth  
Presiding Judge  
Superior Court of California, San Diego County  
Central Courthouse  
1100 Union Street, Tenth Floor  
San Diego, CA 92101

SUBJECT: Response to Grand Jury Report "Housing in San Diego County"

Dear Judge Smyth:

The following letter complies with California Penal Code section 933(c), requiring a public agency to review and provide comment to the Presiding Judge of the Superior Court on the findings and recommendations of a Grand Jury report. The Grand Jury Report titled "Housing in San Diego County," includes two findings and seven recommendations pertaining to the City of El Cajon.

**Finding 03:** The following cities did not meet their housing allocations [*referencing the Regional Housing Needs Assessment*] for all income categories: Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, and Vista.

**Response:** As required in the Regional Housing Needs Assessments, local jurisdictions are not required to construct housing, but rather provide opportunities, primarily through land use and other considerations, for housing to be developed. Most housing in the State of California is built by private corporations and not by a local municipality. This was explained to the Grand Jury during testimony provided by City Manager Graham Mitchell. Furthermore, El Cajon has residential zoning capacity for more than 6,000 housing units, and implemented a streamlined permitting system. Moreover, El Cajon does not have development impact fees as a means to attract new investment. Development impact fees have a tendency to increase the costs of housing developed on scarce eligible properties. Thus, the City has taken significant steps to bolster housing production in the City.

**Finding 05: Specific plans are a useful tool in spurring development, including housing development, and have been used by El Cajon and Chula Vista among others.**

**Response:** The City of El Cajon concurs with this finding. However, if specific plans do not include sufficient development density incentives, they can have little to no effect. In fact, throughout the State, some specific plans work to hamper housing development. In the City of El Cajon, the City Council has adopted specific plans that encourage development. The Grand Jury report referenced the Transit District Specific Plan; however, the City's Downtown Specific Plan has even more capacity for housing development. Between these two specific plans 1,090 housing units have already been planned and analyzed through the lens of potential environmental impacts following extensive California Environmental Quality Act reviews.

**Recommendation 23-01 Consider, if they have not done so, using specific plans (as defined by the Governor's Office of Planning and Research) to facilitate the permitting and development of housing, particularly affordable housing, in their jurisdictions.**

**Response:** The City of El Cajon's City Council has adopted two specific plans that encourage the development in housing (one of which was referenced in the Grand Jury report, the other identified in Response to Finding 5, above). The City is in the early phases of exploring a third area in which a specific plan could foster additional residential development. It is worth mentioning that, in 2017, the City Council adopted a Mixed-Use Overlay zone that allows by right residential development at 40 units per acre. The MU Overlay has been applied to four keys of the City with a potential yield of 4,900 units.

**Recommendation 23-02 Consider working with school districts and community college districts within their jurisdictions to identify developable land for housing owned by districts within their boundaries.**

**Response:** The City of El Cajon concurs that this is a worthwhile goal.

**Recommendation 23-03 Consider working with local religious institutions within their jurisdictions to identify land developable for housing, particularly affordable housing.**

**Response:** The City of El Cajon is concerned with land use compatibility issues and impacts on neighborhoods. However, there is nothing in the City's Municipal Code that discourages religious institution property owners from proposing projects, possible re-zones, etc. to accommodate housing development on their sites.

**Recommendation 23-04** Consider drafting revenue-generating legislation at the jurisdiction level, if feasible and legal e.g., the Seattle Jumpstart Tax. Monies generated by such a tax to fund or assist in funding the construction of housing, particularly affordable housing.

**Response:** The City of El Cajon does not support this recommendation. Unlike the state of Washington, the California Constitution limits the powers of cities to impose a payroll tax on its businesses absent a vote of its resident electors (Cal. Const. Art. XIII C, Sec. 2) whether a general tax or special tax. Further, the Seattle Jumpstart Tax applies to business payrolls meeting or exceeding at least \$7,000,000 in the year the tax is applied, and only applies to salaries or wages of \$150,000 in a year, or greater. The City of El Cajon could not follow such a model without the risk of the loss of jobs where employers choose to relocate outside the City.

**Recommendation 23-05** Consider providing legislative support to re-introducing in the State Legislature SB1105, or similar legislation, to create a San Diego County agency that could raise revenue for housing.

**Response:** The City of El Cajon rejects this recommendation in that the County has a poor track record for housing development. This would add another layer of government to solving a problem.

**Recommendation 23-06** Consider providing legislative support to SB4, which is currently before the legislature. This bill makes it easier to provide housing on land owned by religious institutions.

**Response:** The City of El Cajon rejects any efforts from Sacramento to usurp local land use control, even if the City agrees with the intent of the legislation. Each year, the misguided State legislature passes bills that sound helpful but have almost no impact on the market to development housing. If the State legislature was serious about housing development, it would reduce State regulatory requirements, including onerous storm water regulations, which has removed tens of thousands of possible housing units from the market.

It should be noted that the City of El Cajon created a pilot zoning program to develop emergency housing for the homeless on land owned by religious and community serving institutions.

**Recommendation 23-09** Continue to work with the Metropolitan Transit District to identify land suitable for development of housing, particularly affordable housing, at major transit stops including trolley and bus lines as appropriate.

**Response:** The City of El Cajon concurs with this recommendation. In 2016, the City entered into a "Joint Development Memorandum of Understanding" with the San Diego Metropolitan Transit System (MTS) for the joint marketing of a potential housing project at a trolley station parking lot at Marshall Avenue and Main Street. From that MOU, the City and MTS have attracted the interest of a developer who is currently proposing to develop up to 122 units of affordable housing and 177 units of market rate housing. Negotiations with the developer are underway. Once this project is under construction, the City can look for other MTS development opportunities.

Please contact me if you have additional or follow-up questions regarding this Grand Jury response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Graham Mitchell", with a long horizontal flourish extending to the right.

Graham Mitchell  
City Manager