



July 18, 2023

The Honorable Judge Michael T. Smyth
San Diego Superior Court
Dept. P
1100 Union Street, 10th Floor
San Diego, CA 92101

Re: Grand Jury Report: "Housing in San Diego County"

Dear Judge Smyth:

This letter is in response to the referenced Grand Jury Report submitted to our agency in May 2023. Additionally, this 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 one finding and seven recommendations pertaining to the City of Vista.

The City of Vista's response to the finding is as follows:

- **Finding 03: The following cities did not meet their housing allocations [referring to 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:

- In accordance with State law, local jurisdictions are not required to construct housing, but rather provide opportunities and appropriate zoning, 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. Vista complies with the Regional Housing Needs Assessment (RHNA) and has residential zoning capacity for more than 2,561 housing units. The City recently adopted the 2021-2029 Housing Element (6th Cycle) to our General Plan that describes how we plan to incentivize new housing opportunities and reduce barriers to housing in Vista. The Housing Element includes numerous goals and policies addressing the following:
 - The maintenance and preservation of housing within Vista
 - Housing opportunities
 - Housing for the vulnerable
 - The removal of constraints to housing development
 - Fair housing practices.

- The City's Housing Element has been reviewed and certified by the State Department of Housing and Community Development, and city staff is diligently pursuing implementation of the policies outlined in the plan. Thus, the City is actively taking significant steps to bolster housing production in Vista.

The City of Vista's response to the recommendations are as follows:

- **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 Vista adopted a specific plan for our downtown area, the Downtown Vista Specific Plan, which was last updated in 2015 to incorporate policies and zoning that encourage the development of a mix of housing types in proximity to transit. According to the City's Housing Element, the Downtown Vista Specific Plan can accommodate 1,386 new residential units. Within this Specific Plan area, the City has partnered in the development of four affordable housing projects with a total of 278 affordable units (including a manager's unit), and one new 55-unit affordable housing project is actively under construction. Additionally, the City of Vista recently adopted an Inclusionary Housing Policy that requires nine percent of the units within any new market rate housing project be affordable units.

- **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 Vista is actively engaged with the Vista Unified School District (VUSD) in discussions regarding housing opportunities on property owned by the District. The City of Vista has an excellent partnership with VUSD and we have ongoing joint use agreements. Both the City and VUSD continue to search for available land or property to purchase for various projects, including housing. The City is supportive of new housing opportunities on property owned by the District and plans to continue assisting VUSD with any potential housing projects.

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

Response:

- The City of Vista is open to working with religious institutions within our jurisdiction to identify land developable for housing, particularly affordable housing. Churches are permitted in any residential zone with a special use permit in Vista, so many of the existing religious institutions within the City are located on residentially-zoned land. The City will continue to work with its religious institutions to identify locations that can accommodate future housing opportunities.

- **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 Vista does not support this recommendation. No city in California can levy a payroll/income tax, and something land-secured or sales tax related would require either a majority or super-majority approval by the affected, qualified electors (usually registered voters but could be property owners if it's a land-secured assessment). 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 Vista could not follow such a model without the risk of the loss of jobs where employers choose to relocate outside the City.

- **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 Vista does not support this legislation and will not be implementing this recommendation unless there are amendments to the bill. The concern is that it creates a housing agency with the power to impose a range of new property taxes on homeowners. It grants an unelected six-member body broad power to unilaterally raise a very wide range of taxes on homeowners and real property generally.

- **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 Vista does not support SB4 as it contradicts the City of Vista's adopted Legislative Platform regarding Local Control, therefore, this recommendation will not be implemented. The City of Vista has the following concerns regarding the implementation of SB 4:
 - The bill allows for greater density and height in some zones.
 - The bill limits parking requirements.
 - The bill requires that a housing development project be a use by-right on any land owned by an independent institution of higher education or religious institution if the development satisfies specified criteria.

- Allowing greater density and forgoing local height requirements can drastically change the look and feel of a community. Limiting parking requirements would essentially allow developers, not public officials, to dictate parking requirements. Parking requirements are most appropriately established at the local level based on community needs.
 - California will not be able to produce the number of homes needed with an increasingly state-driven, by right housing approval process.
 - While SB4 may be well-intended, the City of Vista opposes measures that limit local control and therefore has expressed concerns regarding this bill.
 - Additionally, the majority of religious institutions in Vista are located on residentially zoned land; therefore, these entities can develop housing projects on their properties that are consistent with the surrounding development patterns. The City supports housing projects developed in accordance with the underlying zoning through the City's discretionary approval process rather than by-right projects that can be inconsistent with surrounding zoning.
- **23-08: Continue working with the North County Transit to identify land suitable for development of housing, particularly affordable housing, at major transit stops including Coaster and Sprinter train and bus lines as appropriate.**

Response:

- The City of Vista and the North County Transit District (NCTD) are currently working together on identifying opportunities and establishing the guidelines for potential affordable housing and mixed-use development at the Vista Transit Center and Vista Civic Center Sprinter stations on land currently owned by NCTD. This collaborative effort is on-going as it continues to evolve into a more defined development plan for these areas.

For any questions or to coordinate a further discussion, please contact Imelda M. Huerta, Assistant to the City Manager at (760) 643-5208 or ihuerta@cityofvista.com.

Sincerely,



John Conley
City Manager

Cc: Walter Chung, City Attorney
Amanda Guy, Assistant City Attorney
Beverly Roxas, Assistant City Attorney