

The Cities Association of Santa Clara County recognizes the need for increased housing opportunities for people at all income levels, and especially for middle and low-income populations up to 150% AMI. We fully **endorse** local and regional efforts to encourage the production of more housing, preserve and increase subsidized below market rate housing and provide benefits to minimize the impact for current residents in rapidly changing neighborhoods. The Cities Association encourages MTC, ABAG and the State Legislature to collaborate with all cities on the ideas contained within the CASA Compact so that we can collectively formulate workable solutions to address the Bay Area's housing needs. .

The CASA Compact is a high-level document with only limited detail. Small and medium sized cities were not well represented in its creation yet represent 66% of the Bay Area population. Cities want to ensure that their voices are heard as the details of legislation are being crafted, and that the State avoids a "one size fits all" approach to housing densities and land use decision making, recognizing that housing is a complex issue and solutions will vary city by city.

We support the calls for action to:

- Pass legislation that will provide voters statewide with the opportunity to apply a 55 percent threshold for investments in affordable housing and housing production.
- Pass legislation that will return e-commerce/internet sales tax revenue to the point of sale – not the point of distribution as currently mandated – to provide cities that have a significant residential base with a commensurate fiscal stimulus for new housing.

We support other *new* funding sources dedicated to housing and endorse Governor Newsom's approach in providing \$750 million for a major new incentive package for communities to do the right thing. We welcome the \$250 million in support for cities and counties to update their housing plans, revamp their zoning process, and get more housing entitled and especially the \$500 million more in general purpose grants to cities when they achieve certain milestones.

We further support Governor Newsom's call to the private sector to invest significant contributions into housing, **however, we oppose any effort to take away or redistribute property tax or other existing local revenues from cities as a way to generate new funding for housing**

We support establishing tenant protections as cities deem appropriate for their residents

We support removal of regulatory barriers to building new accessory dwelling units and incentives for their production as well as thoughtful CEQA reform to streamline the permitting process.

We call for efforts to recognize the importance of keeping local revenue with each city so that critical services can be provided with the addition of new housing to schools, parks, and the transportation infrastructure.

(NEW) We strongly support significant increases in transportation investment that provide real transit solutions at 10-15 minutes headways in communities where increased housing is being planned for and built and to connect those communities with job growth centers.

(NEW) Should a governance structure be needed to administer new affordable housing funds and monitor housing production, we support designating ABAG to fulfill this role rather than establishing yet another agency.

Cities in Santa Clara County are Actively Addressing the Housing Shortage.

- Permits for over 24,000 new homes have been approved since 2011 which represents over 40% of the state's housing goal for Santa Clara County of 58,836 new homes by 2023
- X housing units are in the pipeline
- Plans for more than X units are being studied/have been zoned for. [to capture 15,000 MV is planning plus whatever other cities have]
- In 2016, Santa Clara County voters increased local taxes to support \$950 million in affordable housing funds.
- The Cities Association of Santa Clara County is leading the effort to form a 2023-2031 RHNA Sub-Region within the County in hopes of better meeting the RHNA numbers distributed to the cities in the County.