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CALIFORNIANS FOR HOMEOWNERSHIP, INC. Matthew P. Gelfand (SBN 297910)
matt@caforhomes.org
Allyson H. Richman (SBN 339822)
allyson@caforhomes.org
525 S. Virgil Ave.
Los Angeles, California 90020

JAN 2 5 2023

JAMES M. KIM, Court Executive Officer MARIN COUNTY SUPERIOR COURT By: J. Chen, Deputy

Los Angeles, California 90020 Telephone: (213) 739-8206 Facsimile: (213) 480-7724

Attorneys for Petitioner, Californians for Homeownership, Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF MARIN

CALIFORNIANS FOR HOMEOWNERSHIP, INC., a California nonprofit public benefit corporation,

Petitioner,

٧.

CITY OF BELVEDERE,

Respondent.

Case No. 1/2 3 0 0 1 7 9

VERIFIED PETITION FOR WRIT OF MANDATE

[C.C.P. § 1085; Gov. Code §§ 65587, 65751]

Petitioner Californians for Homeownership ("Californians") alleges as follows:

- 1. California is in the midst of a "housing supply and affordability crisis of historic proportions." Gov. Code 65589.5(a)(2). The housing element planning process is a key component in the Legislature's effort to address this crisis.
- 2. In developing their housing elements, cities must comply with a draft review process that allows state regulators and the public ample time to participate. Most critically, a draft must be submitted to the state at least 90 days before adoption.
 - 3. Belvedere ignored this requirement and adopted without state review.
- 4. On behalf of the important public interest in addressing the housing crisis, we seek a writ invalidating the City's unlawfully adopted housing element.

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PARTIES

- 5. Petitioner Californians for Homeownership, Inc. ("Californians") is a California nonprofit public benefit corporation and 501(c)(3) public charity. Its mission is to address California's housing crisis through litigation in support of the production and availability of housing affordable to families at all income levels.
 - 6. Respondent City of Belvedere is a city situated in Marin County.

JURISDICTION AND VENUE

- 7. The Court has general subject matter jurisdiction over this action pursuant to Government Code Sections 65587 and 65751 and Code of Civil Procedure Section 1085.
- 8. The Court has personal jurisdiction over the City of Belvedere pursuant to Code of Civil Procedure Section 410.10.
- 9. Venue for this action properly lies with this Court pursuant to Code of Civil Procedure Section 394.

STATUTORY BACKGROUND

- 10. In recent years, the California Legislature has sought to address what it has described as a "housing supply and affordability crisis of historic proportions." Gov. Code 65589.5(a)(2). "The consequences of failing to effectively and aggressively confront this crisis are hurting millions of Californians, robbing future generations of the chance to call California home, stifling economic opportunities for workers and businesses, worsening poverty and homelessness, and undermining the state's environmental and climate objectives. While the causes of this crisis are multiple and complex, the absence of meaningful and effective policy reforms to significantly enhance the approval and supply of housing affordable to Californians of all income levels is a key factor." Id. (subdivision numbers omitted).
- As a result of the housing crisis, younger Californians are being denied 11. the opportunities for housing security and homeownership that were afforded to previous generations. Families across economic strata are being forced to rent rather

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than experience the wealth-building benefits of homeownership.¹ Many middle and lower income families devote more than half of their take-home pay to rent, leaving little money to pay for transportation, food, healthcare and other necessities.² Unable to set aside money for savings, these families are also at risk of losing their housing in the event of a personal financial setback. Indeed, housing insecurity in California has led to a mounting homelessness crisis.³

- Beyond the human toll, California's housing crisis harms the 12. environment. "[W]hen Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants is released and puts in jeopardy the achievement of the state's climate goals." Gov. Code § 65584.
- At the core of California's affordable housing crisis is a failure to build 13. enough housing to meet demand. California's Legislative Analyst's Office estimates that the state should have been building approximately 210,000 units a year in major metropolitan areas from 1980 to 2010 to meet housing demand. Instead, it built approximately 120,000 units per year. ⁴ Today, California ranks 49th out of the 50 states in existing housing units per capita.⁵
 - California's housing crisis has been building for decades. The 14.

California Department of Housing and Community Development, California's Housing Future: Challenges and Opportunities: Final Statewide Housing Assessment 2025 (2018), available at http://www.hcd.ca.gov/policy-research/plansreports/docs/SHA_Final_Combined.pdf, at 18-19.

Id. at 27.

Id. at 3, 48-50.

Legislative Analyst's Office, California's High Housing Costs: Causes and Consequences (2015), available at https://lao.ca.gov/reports/2015/finance/housingcosts/housing-costs.pdf, at 21.

McKinsey & Company, A Tool Kit to Close California's Housing Gap: 3.5 Million Homes By 2025 (2016), available at https://www.mckinsey.com/~/media/ mckinsey/featured insights/Urbanization/Closing Californias housing gap/Closing-Californias-housing-gap-Full-report.ashx, at document page 6.

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Legislature has recognized that the crisis is driven, in part, "by activities and policies of many local governments that limit the approval of housing, increase the cost of land for housing, and require that high fees and exactions be paid by producers of housing." Gov. Code § 65589.5(a)(1)(B).

- Over the last five decades, the Legislature has increasingly sought to address the power imbalance at play in local housing policy. The most important state policy addressing the housing crisis is the Regional Housing Needs Allocation ("RHNA") and housing element system.
- 16. The RHNA system is a process for assessing and allocating housing targets on a periodic basis, generally every eight years. Gov. Code § 65588. It starts with an assessment of statewide housing needs by the California Department of Housing and Community Development ("HCD"). The Department allocates the state's anticipated housing needs on a region-by-region basis, at different levels of affordability, based on established criteria. Gov. Code §§ 65584.01, 65588. This need is then usually meted out to individual localities by a regional council of governments, as is the case in the Bay Area. Gov. Code § 65584.05.
- 17. Once the allocations are final, each locality is tasked with developing an action plan (the housing element) to enact land use policies that will produce enough housing to meet its RHNA goals. Gov. Code §§ 65583, 65583.2. The housing element must provide an inventory of sites available for residential development and assess constraints and market realities that affect the likely development activity at those sites, including local land use regulations. Localities must make changes to their land use rules, including by rezoning land, if needed to enable housing sufficient to meet their RHNA goals. Gov. Code § 65583(c), 65583.2(h).
- At least 90 days before adopting its housing element update, each city 18. must submit a draft of its Housing Element to HCD for review. Gov. Code § 65585(b)(1). HCD then has up to the 90 days to provide the city with written findings and make a determination whether the draft housing element "substantially

- 19. Prior to adoption of a housing element update, a city must consider HCD's findings and, if HCD has determined that the draft does not "substantially comply" with statutory requirements, the City must either amend its housing element accordingly or provide findings of its own as to why it believes the housing element is compliant despite HCD's determination. Gov. Code §§ 65585(e), (f).
- 20. California is currently in the midst of the sixth statewide housing element update cycle. For cities in the Bay Area, including the City, the sixth cycle covers an eight-year planning period starting January 31, 2023, and these cities are required to update their housing elements by that date. Gov. Code § 65588(e)(3).
- 21. A city without a compliant updated housing element is prohibited from using its general plan and zoning standards to reject certain mixed- and moderate-income housing development projects. *See* Gov. Code § 65589.5(d).
- 22. An interested party may bring an action under Code of Civil Procedure Section 1085 to determine whether a housing element conforms to the statutory requirements and to compel a city to adopt a compliant housing element. Gov. Code §§ 65587, 65751.
- 23. If a city's housing element does not substantially comply with state law, a reviewing court must order the city to bring it into compliance within 120 days. Gov. Code § 65754(a). After adopting a housing element subject to such an order, the city must subsequently rezone to obtain consistency with the housing element within 120 days. Gov. Code § 65754(b).
- 24. Additionally, the court must subject the city to penalties, which can include a suspension of permitting and judicial approval of housing development projects. Gov. Code §§ 65755(a)(1), (4). The court can also grant this relief on an interim basis during the pendency of litigation. Gov. Code § 65757.

FACTS

25. The statutory deadline for the City to adopt a sixth cycle housing element

update is January 31, 2023.

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- 26. In order to send its draft housing element to HCD for review, wait the statutorily required 90 days, and then lawfully adopt a housing element incorporating HCD's review, the City was required to send its draft to HCD by November 2, 2022.
- 27. The City missed this deadline. On information and belief, to date, the City has not sent any draft to HCD for review.
- The City cannot legally adopt its housing element update until it sends a 28. draft to HCD and then waits 90 days for the results of the review.
- 29. Despite this, the City pursued a strategy of adopting its housing element update without waiting for HCD's review.
- 30. At a public hearing on December 14, 2022, the City's Planning Commission recommended the adoption of the housing element update.
- 31. At a public hearing on January 9, 2022, the City Council considered adoption of the housing element update. The City Council asked for some revisions to be made and continued the item to January 24, 2023.
- 32. At a public hearing on January 24, 2023, the City Council adopted the housing element update.
- 33. The express purpose of the City's strategy of adopting without waiting for HCD's review was to attempt to avoid the imposition of state law penalties for failing to timely adopt a housing element update. The staff report presented to the City Council before the January 9 meeting explained:

Failure to adopt a Housing Element or to receive state certification can result in financial penalties, loss of grant funding opportunities and legal challenges. In the nearer term, if the City does not have an updated Housing Element in place by the end of January 2023, the City could lose regulatory control over certain affordable housing projects. Accordingly, staff recommends that the City adopt the 2023-2031 Housing Element and submit it to HCD by January 31, 2023.

34. Californians is a non-profit organization that aims to address California's housing crisis, generally through impact litigation to support the development of and

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access to housing for families at all income levels.

- 35. Californians is currently engaged in a statewide effort to enforce both the substantive requirements and the deadlines in state housing element law, for the sixth housing element update cycle. As part of this effort, it has contacted approximately 80 cities to address concerns about their compliance with the law. Since April 2022, Californians has filed over a dozen lawsuits to enforce housing element law.
- 36. For cities that did not timely submit an initial draft sixth cycle housing element update to HCD, Californians' approach involves contacting each city along with other pro-housing non-profit groups. Each city is offered a compromise whereby the non-profit groups agree to delay litigation in exchange for an acknowledgment by the city of certain state law penalties that apply due to the failure to timely adopt an updated housing element.
- 37. On December 16, 2022, along with other non-profit groups, Californians contacted Robert Zadnik, the City Manager of the City, to threaten litigation and offer this compromise. The City did not respond to accept the compromise.
- 38. On January 9 and January 23, 2023, in advance of the City Council meetings at which the housing element update was considered, Californians contacted the City Council along with other non-profit groups and demanded that the City delay adoption until the City submitted a draft housing element to HCD and waited 90 days for the results of the review.

FIRST CAUSE OF ACTION

Writ of Mandate to Compel Compliance with Housing Element Law (Gov. Code §§ 65587, 65751; C.C.P. § 1085)

- 39. Californians incorporates and realleges all of the foregoing paragraphs.
- 40. Under Government Code Section 65587, any interested party may bring an action to determine whether all or part of a housing element conforms to statutory requirements.
 - 41. Pursuant to Government Code Sections 65587 and 65751, an action to

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challenge the legal adequacy of a housing element or compliance with housing element deadlines shall be brought under Code of Civil Procedure Section 1085.

- 42. Californians is an interested party for the purposes of these statutes.
- The City was required to submit its draft housing element update to HCD 43. for review at least 90 days prior to adoption.
- The City was required to consider HCD's findings following its review 44. prior to adopting the housing element update.
- 45. Because the City did not comply with these requirements, its housing element does not substantially comply with state law and the City is subject to an action under Government Code Sections 65587 and 65751.
 - 46. Californians has no available administrative remedies.
 - Californians has no plain, speedy, or adequate remedy at law. 47.
 - 48. Accordingly, Californians is entitled to a writ of mandate.

PRAYER

WHEREFORE, Petitioner prays for relief as follows:

- A writ of mandate (1) directing the City to rescind the January 24, 2023 resolution of the Belvedere City Council adopting the City's sixth cycle housing element, and (2) directing the City to adopt a sixth cycle housing element update pursuant to the schedule set forth in Government Code Section 65754.
 - 2. An injunction or other order under Government Code Section 65755.
 - 3. A declaration that:
 - The January 24, 2023 resolution of the Belvedere City Council a. adopting the City's sixth cycle housing element was invalid and void when adopted and is of no further effect;
 - From February 1, 2023 until the City complies with the Court's b. writ of mandate through the adoption of a housing element that substantially complies with state law, the City has not had a housing element that was revised in accordance with Government

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- Code Section 65588 and the City's housing element has not substantially complied with state law;
- The City is not permitted to use the provisions in subdivision (d)(1) c. or (d)(5) of Government Code Section 65589.5 to disapprove a housing development project that qualifies for approval under subdivision (d) of that section—that is, a project in which either (A) at least 20 percent of the total units shall be sold or rented to lower income households, as defined in Health and Safety Code Section 50079.5, or (B) 100 percent of the units shall be sold or rented to persons and families of moderate income as defined in Health and Safety Code Section 50093, or persons and families of middle income, as defined in Government Code Section 65008—or to condition the approval of such a project in a manner that renders it infeasible for development for the use of very low, low-, or moderate-income households, or an emergency shelter, including through the use of design review standards.
- Costs of suit; 4.
- 5. Attorneys' fees under Code of Civil Procedure Section 1021.5 and as otherwise allowed by law;
 - Such other and further relief as the Court deems just and proper. 6.

Dated: January 24, 2023

Respectfully Submitted,

CALIFORNIANS FOR HOMEOWNERSHIP, INC.

By

Matthew P. Gelfand

Attorneys for Petitioner, Californians for Homeownership, Inc.

LOS ANGELES, CA

VERIFICATION	VER	IFIC	AT	ION
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I, Matthew P. Gelfand, declare:

- I am employed by and hold the position of Counsel at Petitioner Californians for Homeownership, Inc., and am familiar with the matters discussed in the foregoing Petition.
- 2. I have read the Petition and know the contents thereof. The statements of fact therein are true and correct of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 24, 2023 at Los Angeles, California.

Matthew P. Gelfand