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9	SUPERIOR COURT OF THE STATE OF CALL							
10	FOR THE COUNTY OF SAN MATEO							
11								
12	CALIFORNIANS FOR HOMEOWNERSHIP, INC., a	Case No.						
13	California nonprofit public benefit corporation,							
14	Petitioner,	VERIFIED PETITION WRIT OF MANDATI						
15	V.	[C.C.P. § 1085; Gov. C						
16	CITY OF DALY CITY,	,						
17	Respondent.							
18								
19	Petitioner Californians for Homeownership ("Californians							
20	1. California is in the midst of a "housing supply and a							

VERIFIED PETITION FOR WRIT OF MANDATE

THE STATE OF CALIFORNIA

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

eownership ("Californians") alleges as follows:

- of a "housing supply and affordability crisis of Gov. Code 65589.5(a)(2). That crisis is driven in major part by "activities and policies of many local governments that limit the approval of housing " Gov. Code § 65589.5(a)(1)(B).
- As part of the Legislature's effort to address this crisis, the law required 2. cities in the Bay Area to adopt updated housing elements by January 31, 2023.
 - 3. Daly City did not meet this deadline.
- 4. On behalf of the important public interest in the availability of housing, Californians seeks a writ compelling the City to adopt an updated housing element.

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<u>PARTIES</u>

- 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 Daly City is a city situated in San Mateo 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 Daly City 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.

- 15. 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).
- 18. At least 90 days before adopting its housing element update, each city 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 complies"

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with the statutory requirements. Gov. Code §§ 65585(b)(3), (d).

- 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 were required to update their housing elements by that date. Gov. Code § 65588(e)(3).
- A city without a compliant updated housing element is prohibited from 21. using its general plan and zoning standards to reject certain housing development projects. See Gov. Code § 65589.5(d).
- A city that does not adopt a compliant updated housing element within 120 days of the due date is subject to accelerated rezoning under the housing element, once adopted. Gov. Code §§ 65583(c)(1)(A), 65583.2(c), 65588(e)(4)(C).
- 23. 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.
- 24. 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).
- 25. Additionally, the court must subject the city to penalties, which can include a suspension of all non-residential permitting and judicial approval of housing development projects. Gov. Code § 65755(a)(1), (4). The court can also grant this

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relief on an interim basis during the pendency of litigation. Gov. Code § 65757.

FACTS

- 26. The statutory deadline for the City to adopt a sixth cycle updated Housing Element was January 31, 2023.
 - 27. The City has not adopted a sixth cycle updated housing element.
- Californians is a non-profit organization that aims to address California's 28. housing crisis, generally through impact litigation to support the development of and access to housing for families at all income levels.
- Californians is currently engaged in a statewide effort to enforce both the 29. 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.
- For cities that did not timely submit an initial draft sixth cycle housing 30. 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 would 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.
- 31. On December 16, 2022, along with other non-profit groups, Californians contacted Thomas Piccolotti, the then Interim City Manager of the City, to threaten litigation and offer this compromise. The City did not respond to accept the compromise.

FIRST CAUSE OF ACTION

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

- 32. Californians incorporates and realleges all of the foregoing paragraphs.
- 33. Under Government Code Section 65587, any interested party may bring

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an action to determine whether all or part of a Housing Element conforms to the statutory requirements.

- 34. Pursuant to Government Code Sections 65587 and 65751, an action to challenge the legal adequacy of a housing element or compliance with housing element deadlines shall be brought under Code of Civil Procedure Section 1085.
 - Californians is an interested party for the purposes of these statutes. 35.
- 36. The City's deadline to adopt a sixth cycle updated housing element was January 31, 2023.
- 37. Because the City missed this deadline, its housing element does not substantially comply with state law and it is subject to an action under Government Code Sections 65587 and 65751.
 - 38. Californians has no available administrative remedies.
 - 39. Californians has no plain, speedy, or adequate remedy at law.
 - Accordingly, Californians is entitled to a writ of mandate. 40.

PRAYER

WHEREFORE, Petitioner prays for relief as follows:

- A writ of mandate directing the City to adopt a sixth cycle updated 1. housing element pursuant to the schedule set forth in Government Code Section 65754.
 - An injunction or other order under Government Code Section 65755. 2.
 - 3. A declaration that:
 - From January 31, 2023 until the City complies with the Court's a. 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 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) b.

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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.
- Attorneys' fees under Code of Civil Procedure Section 1021.5 and as 5. otherwise allowed by law;
 - 6. Such other and further relief as the Court deems just and proper.

Dated: February 3, 2023

Respectfully Submitted,

CALIFORNIANS FOR HOMEOWNERSHIP, INC.

By

Matthew P. Gelfand

Attorneys for Petitioner, Californians for Homeownership, Inc.

LOS ANGELES, CA

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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 February 3, 2023 at Los Angeles, California.

Matthew P. Gelfand