

February 5, 2021

Louise Bedsworth
Executive Director
California Strategic Growth Council
1400 Tenth Street
Sacramento, CA 95814
Submitted via email: ahsc@sgc.ca.gov

Re: Round 6 AHSC Draft Guidelines

Dear Executive Director Bedsworth:

On behalf of the San Diego Housing Federation, I am writing to submit comments on the updated draft guidelines for the Affordable Housing and Sustainable Communities (AHSC) program.

In July, our organization sent a letter to the Strategic Growth Council requesting that the program guidelines be updated to create a system that more fairly distributed program funds statewide. As noted in that letter, over the first five funding rounds, the San Diego region has only received 5 percent of total funds awarded despite representing 8.5 percent of the state's total population. In the last funding round, the region did not win a single AHSC award despite increased regional collaboration for application partnerships and several very worthy applications.

We were very pleased to see geographic targets included in the draft guidelines released for public comment in October 2020 and are pleased to see these targets included in this latest draft. These targets help to ensure that every region in California has the opportunity to fund projects that advance the goals of the Strategic Growth Council as well as achieve local GHG-reducing goals including Climate Action Plans. However, without clear and affirmative guideline language, these set-asides and the statewide benefits they provide become uncertain. To create more certainty on the regional targets, we recommend the following modifications for Section 108 (d)(4):

- Change language that the Council will seek to fund one project in each of the eight geographies to that the Council will *commit* to fund one project in each geography. This will make certain that there is equitable distribution of funds throughout the state.
- Define what is meant by a competitive application. We recommend that this be defined as the highest scoring application from the region regardless of its competitiveness in the overall program.

We believe these changes are necessary to achieve the goal and intent of regional targets and will help make the award process clearer for program applicants.

The San Diego Housing Federation also strongly supports the recommendation that San Diego be considered as one of the eight standalone geographic areas. Both for its progress toward developing more sustainable communities in line with best practices and for its anticipated growth in the coming decades, the San Diego region offers significant potential for being a model for successful outcomes of the AHSC program.

Lastly, we would like to express our appreciation for the threshold modifications for minimum scoring in this draft of the guidelines. These updates affirm the program's commitment to equitable statewide distribution of funds and recognize the efforts and progress being made in communities with newer and still growing transit infrastructure.

We thank you, your staff, and the members of the Strategic Growth Council for your response to community input on the AHSC program. We share the Strategic Growth Council's goals to build affordable housing near transit to reduce greenhouse gas emissions throughout California and believe that with our recommendations for slight modifications these guidelines offer an opportunity for the program to have a more equitable impact throughout the state.

Sincerely,



Laura Nunn
Chief of Policy & Education