

Proposed Response to Grand Jury Report: “Housing in San Diego County”

Land Use & Housing Committee
September 21, 2023
Item-4



Office of the Independent Budget Analyst



Report focuses on the lack of land and money to build housing

- Grand Jury filed report on May 9, 2023
 - Extension granted to provide response to Superior Court Presiding Judge by November 6, 2023
- Report includes three findings and six recommendations *directed to the Mayor and City Council of the City of San Diego*
- Development of proposed response included input from various departments and stakeholders

Prescribed Grand Jury Responses

- For each Finding:
 - Agree
 - Disagree wholly or partially
- For each Recommendation
 - Has been implemented
 - Has not yet been implemented, but will be
 - Requires further analysis
 - Will not be implemented because it is not warranted or is not reasonable

Finding 01

The City of Lemon Grove met its housing allocation for all the income categories identified by SANDAG in the Fifth RHNA Cycle.

Proposed Response: A response is not provided since finding applies to the City of Lemon Grove

Finding 02

The County of San Diego failed to meet their housing allocation for all income levels.

Proposed Response: A response is not provided since finding applies to the County of San Diego

Finding 03

The following cities did not meet their housing allocations 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.

Proposed Response: Partially Disagree

Table 1: City of San Diego Fifth RHNA Cycle Allocation and Production Totals					
	Very Low	Low	Moderate	Above Moderate	Total
Allocation	21,977	16,703	15,462	33,954	88,096
Produced	3,797	3,715	37	41,208	48,757

- City Council adopted additional regulations focused on producing very low-, low-, and moderate-income housing.

Finding 04

The San Diego region failed to meet its housing allocations for each of the income categories identified by SANDAG in the Fifth RHNA Cycle.

Proposed Response: Agree

- The City has and continues to support new home capacity and production through the adoption of community plan updates, land development code updates, housing-related regulation reforms (e.g., Housing Action Packages), other planning initiatives, and more efficient permit processes.

Finding 05

Specific plans are useful tools in spurring development, including housing development, and have been used by El Cajon and Chula Vista among others.

Proposed Response: Agree

- While specific plans can be useful tools in spurring development, they are not the only tool available to spur new home development.

Table 2: City of San Diego – Specific Plans Adopted Since 2008				
Specific Plan	Community Plan Area	Year Adopted	Additional Home Capacity	
			Included in Community Plan	Beyond Community Plan
<i>City Prepared</i>				
Balboa Station Area	Pacific Beach	2021	-	3,500
Morena Corridor	Linda Vista	2019	-	5,600
Historic Village	San Ysidro	2016	1,700	-
<i>Property Owner Prepared</i>				
Riverwalk	Mission Valley	2020	4,300	-
Central Village	Otay Mesa	2017	4,485	-
Quarry Falls (Civita)	Mission Valley	2008	4,780	-
Totals			15,265	9,100

Finding 06

Both transit agencies in San Diego County (NCTD and MTS) have made land available for development and are actively developing projects that include housing, among other uses.

Proposed Response: A direct response is not provided since finding applies to NCTD and MTS.

- The City makes efforts to explore opportunities to utilize City-owned property for housing through planning and other initiatives.

Recommendation 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.

Proposed Response: Recommendation has been implemented.

- The City has adopted six specific plans and updated/prepared focused amendments for 15 community plans since 2008.
- Currently, one specific plan and five community plan updates are in process.

Recommendation 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.

Proposed Response: Recommendation has been implemented.

- SDHC has collaborated with local public educational institutions on affordable housing projects: LIVIA at Scripps Ranch, Victoria at COMM22, and Paseo at COMM22.
- City recently adopted code amendments to support home development on publicly owned land.



Paseo at COMM22 has 128 affordable apartments for families and was developed on land owned by San Diego Unified School District. SDHC awarded loans and authorized bonds, approved by the Housing Authority, to support the project.

Recommendation 23-03

Consider working with local religious institutions within their jurisdictions to identify land developable for housing, particularly affordable housing.

Proposed Response: Recommendation has been implemented.

- SDHC supports collaboration with faith-based institutions on affordable housing projects: Nestor Senior Village, Bethel AME Supportive Housing, Parkside Terrace, and others.
- City has regulations that allow affordable housing on land owned by qualified nonprofits, including religious institutions.



Nestor Senior Village will create 73 affordable apartments for seniors who experience homelessness. The project is under construction on land the developer, National CORE, is ground leasing from the Nestor United Methodist Church.

Recommendation 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.

Proposed Response: Recommendation has been implemented.

- Measure A (2022) failed to pass
 - \$900M GO bonds for affordable housing
- Measure C (2020) pending court decision
 - Portion of TOT increase for homelessness programs, including affordable housing
- City has ongoing Affordable Housing Fund revenue for affordable housing

Recommendation 23-05

Consider providing legislative support to re-introducing in the State Legislature SB 1105, or similar legislation, to create a San Diego County agency that could raise revenue for housing.

Proposed Response: Recommendation will not be implemented because it is not warranted

- Legislation considered unnecessary and would result in loss of local control

Recommendation 23-06

Consider providing legislative support to SB 4, which is currently before the legislature. This bill makes it easier to provide affordable housing on land owned by religious institutions.

Proposed Response: Recommendation has been implemented.

- SB 4 continues to be negotiated at the State level. Government Affairs will continue to monitor SB 4 and consider supporting State legislation, including SB 4, to promote affordable housing production.

Conclusion

Land Use & Housing Committee is requested to provide feedback and forward its approved proposed response to the full City Council.