

Proposed Response to Grand Jury Report:

“Comprehending the Plight of
San Diego's Homeless:
Is there a Sea Change Coming?”

IBA Report 17-29

City Council Meeting

October 31, 2017

Item: 330



Independent Budget Analyst



Report Background

- The Grand Jury filed this report on June 6, 2017
- It includes 5 findings and 3 recommendations directed to the Mayor and City Council
 - These findings and recommendations focus on low- and moderate-income housing issues
 - The proposed response includes agreement with all findings and indicates that all recommendations have been implemented
- An extension of the original due date (Sep 4, 2017) was requested/granted
 - The response is now due to the Superior Court Presiding Judge by Nov 17, 2017

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

Findings 01 and 02

Finding 01: The need for low-income housing continues to increase while, at the same time, the inventory of affordable housing units is not keeping pace with demand.

Proposed Response: **Agree**

Finding 02: Agencies and funding exist that could combine to produce low-income housing, which ultimately could save taxpayers money by getting the most vulnerable off the streets.

Proposed Response: **Agree**

Finding 02 (con't)

The response highlights ways the City has been working to address this issue

- HOUSING FIRST-SAN DIEGO leverages \$79.7 million in local and federal funding
- Updates to the Land Development Code and Local Coastal Program to promote “granny flats” and reduce permit processing times
- Overall City effort to make the development process less time-consuming and expensive
- Advancement (in August) by Housing Authority of development financing assistance for 621 affordable housing rental units

Finding 03

State mandates need to be followed to make available the appropriate properties for low-income housing development.

Proposed Response: **Agree**

- The City follows mandates related to the Surplus Land Act
- The City is in compliance with State requirements to adopt and update a Housing Element as part of the City's General Plan

Finding 04

The public would benefit from expanded opportunities to observe the progress the City and County of San Diego are making in developing moderate- and low-income housing.

Proposed Response: **Agree**

- Related public hearings are held by City Council, Housing Authority, Housing Commission, and Civic SD
- Many of these developments are presented to local community planning groups in advance
- Updated information is provided online regarding Civic SD and Housing Commission development projects
- The City is currently developing an annual Housing Inventory report (ETA: fall 2017)

Finding 05

The City and County of San Diego have the responsibility for ensuring that low-income/affordable housing units are appropriately included in developments when inducements have been provided to do so.

Proposed Response: **Agree**

- Development Services has controls in place to ensure developments are in compliance as required
- The Housing Commission's Compliance Monitoring Department verifies that housing units under its purview that are designated as affordable are occupied by qualified low- and moderate-income tenants

Recommendation 17-55

Examine their process for disseminating information to potential developers about unused properties to ensure that those trying to create moderate- and low-income housing have access to them as the California Surplus Land Act requires.

Proposed Response: ***The recommendation has been implemented.***

Recommendation 17-55 (con't)

Prior to the disposition of surplus City-owned property the City provides notice:

- To the designated agencies and entities as required by the law
 - This includes private developers that request to receive notice as *housing sponsors*
- City departments and local community planning groups are also notified
- Commercial brokers are frequently used
- READ website lists all City-owned land as well as properties for sale

Recommendation 17-56

Consider creating a means by which the public can observe the progress in creating moderate and low-income housing, including city, county, nonprofit, public-private and Housing Commission projects.

Proposed Response: ***The recommendation has been implemented.***

See response to Finding 04

Recommendation 17-57

Request an audit to verify that buildings constructed with the stipulation that low-income/affordable units be included are occupied by people who qualify to live there.

Proposed Response: ***The recommendation has been implemented.***

- The response refers to the Housing Commission's Compliance Monitoring, discussed in Finding 05
- The City Auditor partially assessed the Housing Commission's compliance monitoring controls during its "Performance Audit of the San Diego Housing Commission," released Sept 2016

Previous Action & Next Steps

- On September 13 the Select Committee on Homelessness voted to recommend approval of the proposed response
- We request that Council:
 - Approve the proposed response with the following modification:
 - For Finding 04, update the anticipated release date of the Housing Inventory Report to “fall 2017”
 - Authorize and direct the Council President to execute and deliver the response to the Superior Court Presiding Judge by November 17, 2017