

**Recommendations of the  
Community Planners Committee Regarding the  
Affordable Housing Task Force Recommendations  
September 23, 2003**

At its regularly scheduled meeting on September 23, 2003 the Community Planners Committee (CPC) discussed the Affordable Housing Task Force (AHTF) recommendations and the recommendations of the CPC Subcommittee and adopted the following motions.

**1.a.** The Task Force adopted an estimate of housing need for the next ten years based on anticipated population growth and anticipated employment growth. The total housing need figure adopted for the 2003-2013 period is 113,696 of which 32,275 is past unmet need and 81,421 is projected future need during the next ten years.

**CPC recommendation:** No position. (16-3)

**1.b.** The Task Force determined that it is an unrealistic expectation for San Diego to entirely meet its housing need during the next ten years. Therefore, a somewhat more modest overall housing goal of 84,147 units, or 8,415 per year, for that period was adopted. This figure was calculated by using the highest of three different annual housing need estimates from HCD, extrapolating that figure for ten years and assuming that 44% of regional housing need should continue to be met within the City of San Diego. The goal is further broken down by segments of the population such that 38% of the goal, or 3,197 units annually, should be for households with incomes at or below 80% of the Area Median Income.

**CPC recommendation:** No position. (16-3)

**2.b.i.** Increase Redevelopment Agency (RA) Set-Aside from 20% to 35% for a total of \$17,500,000 per year.

**CPC recommendation:** Maintain the 20% allocation level with the recommendation that on a year-by-year basis, depending upon the budget situation for that year, the allocation be increased to a maximum of 35%, with the Project Area Committees for each Redevelopment Area making a formal recommendation to the Redevelopment Agency on whether the 20% allocation level should be increased or not. (24-1)

**2.b.ii.** Increase the allocation of CDBG funds from 20% to 40% per year for a total of \$8,000,000 per year.

**CPC recommendation:** Encourage the increased allocation of CDBG funds on an annual basis, but do not make it a requirement for the City Council to do so. (14-8)

**2.b.iii.** Reestablish the Housing Trust Fund Commercial Fee (Linkage Fee) to its original level for a total of \$7,000,000 per year.

**CPC recommendation:** Re-evaluate restoring the Housing Trust Fund Commercial Fee (Linkage Fee) to its original level and report findings to the Land Use & Housing Committee for discussion. (19-3)

**2.c.i.** Standardization of documents between agencies, such as loan documentation, due diligence reports and specific developer agreements.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**2.c.ii.** Delay payment of impact fees for affordable housing prior to final inspection or meter release.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**2.c.iii.** Full implementation of expedite process as described in Council Policy 600-27.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**2.d.i.** Increase the Transient Occupancy Tax from 10.5% to 12.5% for increased revenue of \$21,000,000.

**CPC recommendation:** Oppose AHTF recommendation. (19-4)

**2.d.ii.** Create the equivalent of a 5% car rental tax for increased revenue of \$40,000,000.

**CPC recommendation:** Oppose AHTF recommendation. (19-4)

**3.a.** In order to address the over \$2 billion infrastructure deficit in the City of San Diego, adopt a \$1 billion infrastructure bond paid for by an approximate \$11 per month parcel tax, which requires 2/3 voter approval.

**CPC recommendation:** Oppose AHTF recommendation. (19-4)

**3.b.** Bond proceeds would be used for streets, sidewalks, park and recreation facilities, libraries and fire facilities. Funds would be distributed 70% to presently designated urbanized communities and 30% to planned urbanizing communities. This should be coordinated with the current fire and library financing plans.

**CPC recommendation:** Oppose AHTF recommendation. (19-4)

**3.c.** To qualify for eligibility for these funds, communities must identify multi-family housing sites as described in the process below in 4.a.

**CPC recommendation:** Oppose AHTF recommendation. (23-0)

**3.d.** Citizen task force should be formed using the Proposition MM approach to identify top priority facilities to be constructed in each community as referenced in recommendation 4.a.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**3.e.** The citizen task force should also develop a strategy for the two tax increases in conjunction with the infrastructure bond.

**CPC recommendation:** Revise the AHTF recommendation to read: “The citizen task force should develop a strategy for tax increases in conjunction with infrastructure funding.” (17-2)

**3.f.** Development Impact Fees should be reviewed for urbanized communities in order to ensure that "growth pays for itself" by requiring new development to pay its fair share toward public facilities.

**CPC recommendation:** Support the AHTF recommendation, but express concern about how the "fair share" is determined so that the fees don't stop development, especially of new affordable housing. (18-1)

**3.g.** Create an "Infrastructure Bank" where builders may opt to leave existing alleys which are paved with asphalt and pave an unpaved alley with either concrete or asphalt in the same community. The City would develop a map showing where alley, curbs, and sidewalks could be replaced in the various communities. Community planning groups can develop the list and establish priorities.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**4.a.** Direct each Community Planning Group to designate sites for 2,500 multi-family units over the next two and a half years. The community must participate to be eligible for infrastructure funding under the bond package. City Planners will assist the community planning group if the group is unable to identify these sites.

**CPC recommendation:** Oppose AHTF recommendation. (23-0)

**4.b.** The City should work with community planning groups citywide to develop Master Plans and/or create and apply an "Affordable Housing Overlay Zone" targeting and prioritizing areas where affordable housing should be encouraged. Master Environmental Impact Reports for these targeted areas could be utilized to significantly simplify and expedite the environmental review process for all subsequent affordable/in-fill housing projects.

**CPC Recommendation:** Oppose the AHTF recommendation. Substitute the following recommendation: "Encourage the City Council to explore the development of Master Plans and/or create and apply in-fill transit-oriented higher density development incorporating affordable housing with the direct involvement of officially recognized community planning groups." (21-3)

**4.c.** Direct CCDC to make 38% of new units affordable to households earning from 0 - 80% which emphasize sufficient square footage to accommodate families, of any composition.

**CPC recommendation:** Oppose AHTF recommendation. (18-4)

**4.d.** Direct City staff to evaluate surplus public lands which are vacant or underdeveloped such as Rose Canyon operating station (21 acres) and Montgomery Field (528 acres) for the creation of affordable housing.

**CPC recommendation:** Support directing City staff to evaluate surplus public lands that are vacant or underdeveloped, but reject converting either the Rose Canyon operating station or Montgomery Field into affordable housing sites. Siting housing in a location that is clearly designated as a fault zone is inappropriate (Rose Canyon). Montgomery Field is an active airport that provides a valuable service to the region and is self-supporting in terms of revenue. CPC understands that a list of "surplus public lands" that are "vacant or undeveloped" has been established by City staff and hereby requests that a copy of the list be distributed to CPC for review. (16-5)

**5.a.** Affordable housing projects need to be provided with full utilization (with no additional City regulations) of the CEQA exemptions for projects of 100 units or less, priority building inspections, and maximum use of self-certification as follows:

**5.a.i.** Continue to allow Registered Civil Engineers to self-certify minor engineering approvals such as grading permits and public improvements such as curb cuts, sidewalk repair, alley replacements.

**CPC recommendation:** Support the AHTF recommendation (which is consistent with existing State law). (22-0)

**5.a.ii.** Allow licensed landscape architects to self-certify for landscape plan checks.

**CPC recommendation:** Support the AHTF recommendation (which is consistent with existing State law). (13-10)

**5.a.iii.** Continue to allow City staff to contract with outside companies to provide inspection services.

**CPC recommendation:** Support the AHTF recommendation. (13-10)

**5.a.iv.** And continue to allow City staff to contract with outside companies to provide plan check for structural, electrical, and mechanical reviews when it takes longer than 30 days to check plans.

**CPC recommendation:** Support the AHTF recommendation. (13-10)

**5.b.** Parking ratios for affordable housing should be reduced pursuant to a parking study conducted over the next 90 days to build a universal standard. The study should include reviews of the impact on the community and accessibility. If there is a project with a lower parking need, a project applicant should be permitted to do a study to justify this lower ratio and allow City staff, after community planning group review, to approve the revised ratio.

**CPC recommendation:** Oppose AHTF recommendation. (23-0)

**5.c.** Fully implement the expedite process (Council Policy 600-27) for affordable housing projects, including maximum use of the deviation process. Amend the recently adopted process to specifically include affordable senior and affordable adaptable housing as eligible for expedited permit processing.

**CPC Recommendation:** Revise the AHTF recommendation to read: “Fully implement the expedite process (Council Policy 600-27) for affordable housing projects, ~~including maximum use of the deviation process.~~ Amend the recently adopted process to specifically include affordable senior and affordable adaptable housing as eligible for expedited permit processing. Allow the deviation process to be used only when specific findings can be made that the project is completely consistent with all requirements.” (21-1)

**5.d.** Revise density bonus regulations to provide a 50% density bonus for eligible projects, including, but not limited to, projects in transit corridors and with proximity to other public services.

**CPC recommendation:** Oppose AHTF recommendation. (22-0)

**5.e.** Adopt an amendment to the Municipal Code to allow applications for Tentative Parcel Maps (subdivisions of 4 lots or less) to be acted upon in accordance with Process 1 (ministerial approval). This would only apply to projects exempt from CEQA.

**CPC recommendation:** Oppose AHTF recommendation. (20-2)

**5.f.** Adopt an amendment to the Municipal Code to allow affordable housing projects to be acted upon in accordance with Process 2. The decision shall be made no less than 11 business days after the date on which the Notice of Future Decision is mailed to allow for sufficient time for public comment. This 11 business days minimum time frame for a staff decision will be extended by a period not to exceed an additional 20 business days to allow time for a recommendation by a recognized community planning group, if requested by the group's chair or the chair's designee.

**CPC recommendation:** Oppose the AHTF recommendation as written; Process 3 would be acceptable. Recommend that there be earlier notice to community planning groups, i.e., when initially submitted to Development Services for processing. (22-0)

**5.g** Approve the fees required for the Affordable, In-Fill Housing and Sustainable Buildings Expedite Program, but base the fees on square-footage instead of per unit (currently \$500 per unit).

**CPC recommendation:** Modify the AHTF recommendation to read: "Monitor the current \$500 per unit practice and report to Land Use & Housing on a semi-annual basis." (20-2)

**5.h.** Reduce impact fees by 10% for all affordable housing projects affordable to households earning no more than 80 percent of average median income (AMI).

**CPC recommendation:** Oppose AHTF recommendation. (13-10)

**5.i.** Direct staff to reevaluate development impact fees for multifamily residential development in order to charge more for larger and less for smaller multifamily units. Staff should report back on providing an alternative basis for applying fees, including utilizing the number of bedrooms or total square-footage of a dwelling unit. Fees to be reevaluated include Development Impact Fees (DIF), Facilities Benefit Assessments (FBA), Water and Sewer Fees, and any other capacity based fees.

**CPC recommendation:** Oppose AHTF recommendation as written. Support as follows: "Direct staff to reevaluate development impact fees for residential development in order to charge more for larger and less for smaller units. Staff should report back on providing an alternative basis for applying fees, including utilizing the number of bedrooms or total square-footage of a dwelling unit. Fees to be reevaluated include Development Impact Fees (DIF), Facilities Benefit Assessments (FBA), Water and Sewer Fees, and any other capacity based fees. Also, recommend that City staff evaluate these fees periodically and report their findings to the Land Use and Housing Committee." (22-0)

**5.j** The City should support State legislation for adoption of the International Residential Code. Improved building codes can reduce building costs 7-14%. The International Residential Code is widely used throughout the country and it uses more modern technology than current California codes.

**CPC recommendation:** It is CPC's understanding that the City has already adopted a "Support" position for this proposal. (13-10)

**5.k.** Encourage green power housing that meets energy star ratings and generates a percentage of projected electrical needs thus providing continuing low utility costs to enhance the affordability of the housing. City of San Diego needs to explore energy efficiency incentives that can help the developer to

build a more efficient project. City of San Diego permit desk should distribute info to builders about these programs when they are submitting their project. Need to develop a handout for developers/builders.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**5.l.** Development Services should be completely overhauled from top to bottom within 3 years to make the recommended measures the norm for all projects. This recommendation can be implemented by monitoring the success of the Affordable/In-Fill Housing Program, which includes a specialized team of staff members whose primary goal is to process projects in half the time, and implementing this process for all projects Citywide.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**5.m.** Ensure that fees assessed by the Neighborhood Code Compliance Department represent full cost recovery and institute maximum punitive fees for property owners requiring repeat inspections.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**6.a.** Create a Housing Czar position in the City Manager's Office to focus on affordable housing to ensure recommendations of the Task Force are implemented. The position will coordinate all housing issues for the City, with a focus on affordable housing.

**CPC recommendation:** Oppose AHTF recommendation. Working together, the Planning Director and the Executive Director of the Housing Commission can perform this function without duplicating existing services and/or adding another layer of government. (24-0)

**6.b.** Fully fund and staff the City's Land Development Code Update Team to implement necessary Code changes to add incentives and provide expedited review and processing for affordable/in-fill housing projects. If recommendation 8.B. below is implemented, landscape planners can be reassigned to the Code Update Team.

**CPC recommendation:** Support AHTF recommendation but get clarification on how landscape planners would be able to be reassigned based on "8.B." (13-10)

**6.c** Increase capacity of the Neighborhood Code Compliance Department and City Attorney's Office to target substandard housing through an increase in resources. Approximate cost is \$1,000,000 annually for 4 FTE for the Neighborhood Code Compliance for targeted inspections and 2 full-time attorneys and 2 investigative positions in the City Attorney's Office for more aggressive prosecution. The City Attorney should provide an annual report to City Council to document their prosecutorial efforts in this area. The increased resources are to be supported by the Rental Unit Tax currently deposited into the City's General Fund.

**CPC recommendation:** Support AHTF recommendation. (19-2)

**7.a.** Amend the existing Preservation ordinance to require that Single Room Occupancy (SRO) Hotels constructed prior to 1990 must, when proposing demolition or change of use, provide at least 6 months relocation assistance for senior, disabled or low-income tenants (Adopted 13 in favor-4 opposed-3 absent) and either provide a one for-one replacement of equivalently affordable units (replacement does not have to be in downtown) or pay an in-lieu fee of 100% of the cost of replacement of the converted or

demolished units. (Adopted 10 in favor-6 opposed-3 absent-1 abstention.) The City should create a regulatory environment that gives incentive to construction of new housing serving SRO residents.

**CPC recommendation:** No position. (18-1)

**7.b.** The following requirements should be applied to all unmapped (per State Map Act) condominium conversions:

**7.b.i.** Apply 10% inclusionary housing requirements on condo conversions

**CPC recommendation:** Support AHTF recommendation. (16-5)

**7.b.ii.** Relocation assistance for seniors, disabled, and low-income households.

**CPC recommendation:** Support AHTF recommendation. (16-5)

**7.b.iii.** Require that: (1) Property meet building and zoning requirements at the time it was built (2) Plumbing, mechanical, electrical systems be in good working order (3) Roof systems be inspected by a licensed contractor, or home inspector (4) Walls and roof have some insulation, or meet title 24 at the time of construction.

**CPC recommendation:** Support AHTF recommendation. (16-5)

**7.b.iv.** Down payment assistance for tenants to encourage homeownership.

**CPC recommendation:** Support AHTF recommendation. (16-5)

**8.a.** Use the existing community resource centers and appropriate community non-profit organizations to distribute information to the public regarding tenant and landlord rights. Incorporate into the lease of all City and Housing Commission restricted or subsidized units information referring tenants to community service centers for tenant's rights information.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**8.b.** Council should direct legislative staff to pursue and/or support the following legislative issues:

**8.b.i** Credit Reporting: (1) Pursue legislation that would require credit reporting agencies make copies of a tenant credit reports available to landlords for a specified amount of time, to eliminate the duplication of credit report charges (2) Pursue legislation that would prevent "unlawful detainer" labels on tenant credit reports when the eviction case has been dismissed. This would prevent an erroneous opinion that they are renters that the apartment industry would not want to rent to.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**8.b.ii.** School Construction: (1) Pursue State legislation that would require the School District to replace the housing that is demolished to make way for the construction of new schools.

**CPC recommendation:** Oppose the AHTF recommendation. Increasing the cost of school construction is not a good way to fund the replacement of housing that is demolished in constructing the new schools. Explore other funding sources. Explore the development of mixed use school sites that incorporate housing and schools, using innovative design standards. (16-5)

**8.c.** Good Cause Termination of Tenancy ordinance for all residents whose tenancy period exceeds 24 months with the following proposed language: "To terminate any periodic tenancy of at least two years in duration pursuant to California Civil Code § 1946, the lessor must serve, pursuant to California Code of Civil Procedure § 1162 or California Civil Code § 1946, a written notice stating good grounds upon which the lessor, in good faith, seeks to recover possession. If such statement of good grounds be controverted, the lessor shall establish its truth at the trial or other hearing."

**CPC recommendation:** No position; need specific advice from the City Attorney on the legal impacts of this proposal. (12-8)

**9.a.** 25% of any and all public land, subsidies, redevelopment, collaborative funding mechanisms, bond proceeds, NOFA, etc. dedicated to affordable housing initiatives shall incorporate defined principles of universal design, accessibility for all, adaptability and visitability in all new housing, including townhomes. Should tracking measures show that there is little or no progress in number and percentages, then mandatory measures are recommended to be implemented.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**9.b.** Direct the Housing Commission, Planning Department and Development Services Department to provide information to developers regarding and encourage construction of units incorporating universal design.

**CPC recommendation:** Conditionally support AHTF recommendation; CPC hereby requests that such proposed universal design concepts be distributed to all community planning groups and a formal recommendation made by CPC after input from the planning groups is received. (17-2)

**9.c.** Direct staff to track creation of adaptable housing projects in the City of San Diego and submit a status report to the City Council annually.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**9.d.** Expand the current Technical Advisory Committee's (TAC) responsibilities to devise and effectively increase accessibility and adaptability in townhomes and residential developments of three units or less. This Accessible Housing TAC will report back to the City Council with recommendations within 6 months.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**10.a.** The Inclusionary Housing Ordinance should exempt projects of 4 units or less.

**CPC recommendation:** Support AHTF recommendation. (13-8)

**10.b.** The Inclusionary Housing Ordinance should continue to allow all projects, including "largescale development" to pay the in-lieu fee for affordable units.

**CPC recommendation:** Oppose AHTF recommendation. (19-5)

**10.c.** The Task Force voted that the structure of the shared- equity for the for-sale inclusionary housing units be changed from a 15-years buy-in period to a 30-year, straight-line amortization of the share in



equity. In addition, the Task Force recommended that 3% simple interest be applied annually to the “price differential” between the initial purchase price and the appraised value at the time of purchase.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**10.d.** The Task Force voted to modify the geographic areas for off-site construction of inclusionary housing units to allow off-site units to be constructed within a 4-mile radius of the primary project rather than only locations within the same community planning area as the primary project.

**CPC recommendation:** Oppose AHTF recommendation; the current ordinance provides sufficient flexibility with no changes. (13-10)

**10.e.** The Task Force voted to allow developers to self-certify the eligibility of buyers’ of units qualifying for the 150% AMI for-sale housing exemption for inclusionary housing. Developers would certify that buyers meet all requirements under the inclusionary housing program under penalty of perjury. Such certification would be submitted to the Housing Commission and subject to periodic audit.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**10.f.** The City Council should evaluate the Housing Commission administration fee (currently 11%) annually to ensure that it is consistent with actual staff requirements.

**CPC recommendation:** Support AHTF recommendation. (13-10)

**10.g.** Support legislative initiatives to protect local inclusionary housing ordinances.

**CPC recommendation:** Support AHTF recommendation. (13-10)