HOUSING ELEMENT
APPENDIX K

Summary of Suggestions made by Housing Element Working Group

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Summary of Suggestions made for Housing Element FY 1999 - FY 2000 by Housing Element Working Group

Suggestion	Analysis	Suggestion	Analysis
Fair Housing Market should be considered in policies and programs section of Housing Element	Specifically addressed in the Reduction of Housing Discrimination Objective	Make statements as directive as possible throughout the Housing Element	Language changed where appropriate.
Match Consolidated Plan and Housing Element in Format	Some information in Consolidated Plan used as guide for Housing Element; however, Consolidated Plan is a federal requirement for receiving funds for specific projects	Include "Universal Design Standards" so that new housing and rehab complies with disability access	Universal standards were considered. However, the access requirements enforced through the City's Model Codes are more restrictive and Universal Design standards have no mechanism for enforcement. Staff met with Disability Access Committee to review this information.
Include military and Students under the special populations subgroup	Incorporated into Community Profile Section	Include additional information to the Housing Element Progress Report: column to indicate need for assistance under various programs and statement on the failure to adopt an inclusionary housing Program in the early 90's	Progress report was not changed to include column indicating need. However, specific goals are presented in the Quantified Objectives of each Goal. Additionally, specific need is indicated in the Housing Needs Section of the Housing Element.
Address infrastructure in Housing Element	Incorporated into the Housing Needs Section of the Housing Element; will also be addressed in Strategic Framework process of General Plan Update	Recommend to change or establish policy to require homeless providers to provide adequate restroom facilities for the disabled	Suggestion not included - Goals, Objectives, Policies and Programs addressing Homeless population can be found in Goal 1 of Housing Element.

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Suggestion	Analysis	Suggestion	Analysis
Include Rental housing affordability and Homeownership affordability comparisons	Incorporated into the Housing Needs Section of the Housing Element	Divide goals for the Homeless into: "short term", "long term", and "special needs beds".	After meeting with major homeless providers it was decided that resources could be used at a more productive level if the group's needs were subdivided.
Change "Disabled People' to "Persons with Disabilities"	Wording changed throughout the document	Incorporate a discussion on the Hoffmaster Case in the Housing Element	Incorporated into the Goal 1 of Goals, Policies, Programs... Section of the Housing Element
Identify subgroups for different type of disabilities	Changes incorporated	Clarify "Extreme / Inclement Weather" with respect to homeless facilities	This was deleted since City's winter shelter program is no longer "inclement weather based".
Add "environmental Constraints" under governmental constraints	Availability of land will be further addressed in the Strategic Framework and in Land Inventory Section of the Housing Element	Include Residential care homes, group homes, and housing for persons with disabilities in the "Reduction of Housing Discrimination" section of Housing Element	An "Analysis of the Impediments" (AI) to fair housing choice will include the populations mentioned in suggestion. AI to be completed by August 2000. See Goal 5.
Add "financing" to "Availability of Facilities and Services"	Governmental and Non-Governmental Constraints section of the Housing Element provides broad discussion on the effects of costs involved in providing housing.	Discuss potential tools to meet affordable housing goals in Community Planning Areas.	See Goal 5 of Housing Element
Include Neighborhood Commercial Zones to emphasize the link between employment opportunities and the need for affordable housing opportunities	See Goal 5 for discussion on this subject.	Include discussion on Inclusionary Housing	Previous attempts to adopt an Inclusionary housing Ordinance in the City have failed to be adopted

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Suggestion	Analysis	Suggestion	Analysis
Include Construction Defect Litigation as part of the Governmental Constraints	See Governmental - Nongovernemntal Constraints section of Housing Element	Discuss the City's attempt to locate higher density housing principally along transit corridors and in proximity to significant concentrations of lower income employment opportunities	See Goal 5 - Policies and Programs under "Affordable Housing Goals and Community Balance".
Clarify the definition of "doubling-up"	See footnote in Community Profile chapter of Volume II.	Discuss suggestions to encourage dispersal of Section 8 households throughout City.	Housing Commission has used financial incentives in the past to encourage dispersal but there was an underutilization of incentives and program was ceased.
Break-down employment by income levels and community planning areas	Appendix H identifies retail employment for 1995 and 2005 by community planning areas.	Include policy that addresses public education on the need for affordable and innovative types of housing	See Goal 5 for broad discussion and programs addressing this suggestion.
Clarify the definition of "affordable housing"	See Appendix B	Explain reductions in Program goals for the FY 99 - FY 2000 Housing Element	Where applicable, reduction in goals is explained following each Quantified Objective for each Goal.
Clarify the rank of San Diego's housing affordability	Market Profiles and San Diego Apartment Association information used in preparing documents. Also used was the U.S. Conference Report On Hunger and Homelessness	Explain the Consolidation of Development Services and Community and Economic Development Department	Incorporated into text.
Incorporate the Fair Housing Act into the Housing Element	Specifically addressed in the Reduction of Housing Discrimination Objective	Include a brief discussion of Article 34 of the California Constitution	See Governmental Constraints to Development section of the Housing Element.

APPENDIX K Summary of Suggestions made for Housing Element FY 1999 - FY 2000 by Housing Element Working Group			
Suggestion	**Analysis**	**Suggestion**	**Analysis**
Address Conditional Use Permits	See discussion of Hoffmaster decision in Homeless Policies and Programs in Vol. I and appendices I & J in Vol. II.	Discuss the gap between the cost of developing low-income units and what a low income household can afford	An updated gap analysis could not be completed in time to include in this Element.
Address the costs of building Multi-family and Single-family homes	See Governmental Constraints - Fees and Nongovernmental Constraints - Land Prices and Construction Costs.		

HOUSING ELEMENT
APPENDIX L

Low-Income Households Overpaying for Housing

CITY OF SAN DIEGO

Housing Assistance Needs of Low & Moderate Income Households

Name of Jurisdiction: City of San Diego

Sources of Data: FY 1994 Comprehensive Housing Affordability Strategy (CHAS) Census Data Book

Household by Type, Income, & Housing Problem	Renters					Owners			Total Households (I)
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly (F)	All Other Owners (G)	Total Owners (H)	
1. Very Low Income (0 to 50% MFI)*	12,894	22,574	11,068	22,595	**69,131**	11,969	9,290	21,259	90,390
2. 0 to 30% MFI*	7,730	11,867	5,244	12,158	36,999	5,745	4,220	9,965	46,964
3. # with any Housing Problems	5,903	10,400	5,062	10,164	31,529	3,538	3,264	6,802	38,331
4. # with Cost Burden > 30%	5,882	9,931	4,554	10,003	**30,370**	3,504	3,125	6,629	**36,999**
5. # with Cost Burden > 50%	4,380	8,905	3,741	9,327	**26,353**	2,248	2,746	4,994	**31,347**
6. 31 to 50% MFI*	5,164	10,707	5,824	10,437	**32,132**	6,224	5,070	11,294	43,426
7. % with any Housing Problems	4,016	9,429	5,175	10,025	28,645	1,909	3,636	5,545	34,190
8. # with Cost Burden > 30%	3,918	8,865	3,844	9,852	**26,479**	1,887	3,273	5,160	**31,639**
9. # with Cost Burden > 50%	2,061	3,904	1,120	5,953	**13,038**	877	2,281	3,158	**16,196**
10. Other Low-Income (51 to 80% MFI)	4,945	16,832	6,460	18,477	**46,714**	9,422	13,943	23,365	**70,079**
11. % with any Housing Problems	3,339	11,207	5,100	13,103	32,749	2,076	9,597	11,673	44,422
12. # with Cost Burden > 30%	3,295	9,425	2,038	12,628	**27,386**	2,070	8,607	10,677	**38,063**
13. # with Cost Burden > 50%	757	1,312	234	2,319	**4,622**	888	4,230	5,118	**9,740**
14. Moderate Income (81-95% MFI)*	1,511	7,472	2,001	8,166	19,150	4,556	9,818	14,374	33,524
15. % with any Housing Problems	630	2,953	1,433	2,995	8,011	624	6,172	6,796	14,807
16. # with Cost Burden > 30%	620	2,000	454	2,714	5,788	614	5,406	6,020	11,808
17. # with Cost Burden > 50%	94	256	0	227	577	155	1,454	1,609	2,186
18. Total Households**	23,791	74,744	24,722	83,819	207,076	51,189	148,051	199,240	406,316
19. % with any Housing Problems	14,677	38,480	19,535	40,752	113,444	10,396	57,932	68,328	181,772

* Or, based upon HUD adjusted income limits, if applicable.

** Includes all income groups -- including those above 95% of MFI

HOUSING ELEMENT
APPENDIX M

Glossary of Key Terms

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Glossary of Key Terms

Acres, Gross - Vacant land that includes land that may not be developable due to environmental, topographical, or other constraints and may also include land that may be subsequently utilized for street right-of-way or other public facilities.

Affordable Housing - Affordable housing is generally defined as housing where the occupant is paying no more than 30 % of gross income for gross housing costs, including utility costs.

Apartment - (1) One or more rooms of a building used as a place to live, in a building containing at least one other unit used for the same purpose. (2) A separate suite, not owner-occupied, which includes kitchen facilities and is designed for and rented as the home, residence, or sleeping place of one or more persons as a single housekeeping unit.

Area Median Income - As used in State of California housing law with respect to income eligibility limits established by the U.S. Department of Housing and Urban Development (HUD), "area" means metropolitan area or nonmetropolitan county.

Below-market rate (BMR) Housing Unit - Any housing unit specifically priced to be sold or rented to very low, low or moderate income households for an amount less than the fair market value of the unit. The U.S. Department of Housing and Urban Development sets standards for determining which households qualify as "very low income", "low income" or "moderate income".

Companion Unit - A second unit on a parcel zoned for and occupied by a single dwelling unit. The second unit may either be attached to or detached from the primary unit, but on the same parcel.

Cohousing - An alternative housing type and lifestyle which combines individual residences with extensive common facilities which are an important part of community life both for social and practical reasons. The concept envisions at least one common meal a day (usually evening) which most or all residents eat together in a common dining hall plus extensive support services for child care and recreation.

Condominium - A structure of two or more units, the interior spaces of which are individually owned; the balance of the property (both land and building) is owned in common by the owners of the individual units.

Congregate Care - Apartment housing, usually for seniors, in a group setting that includes independent living and sleeping accommodations in conjunction with shared dining and recreational facilities.

Density - The number of permanent residential units per acre of land. Densities specified in the General Plan may be expressed in units per gross acre or per net developable acre. The City of

San Diego determines density based on gross acreage. (See "Acres, Gross" and "Developable Acres, Net".

Density Bonus - The allocation of development rights that allow a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned, usually in exchange for the provision or preservation of an amenity at the same site or at another location. Under California's housing laws, a housing development that provides 20% of its units for low-income households or 10% of its units for very low-income households is entitled to a density bonus.

Developable Acres, Net - Gross acreage less any constrained acreage and also include other land set aside for streets or public facilities.

Discretionary Review - The review of an application for a land use permit which involves judgement as to whether or not the applicable regulatory requirements have been met and also involves one or more public hearings with notification being given to nearby property owners and the applicable community planning group.

Family - The Bureau of Census defines a family as a household (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption.

First-Time Homebuyer - An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer, except that any individual who is displaced homemaker (as defined in 24 CFR 92) or a single parent (as defined in 24 CFR 92) may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

Goal - A general, overall, and ultimate purpose, aim, or end toward which the City will direct effort.

Granny Flat - (See Companion Unit)

Housing and Community Development Department of the State of California (HCD) - The State Agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low and moderate income households.

Housing and Urban Development, U.S. Department of (HUD) - A cabinet-level department of the federal government which administers housing and community development programs.

Housing Unit - An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition.)

Household - All those persons - related or unrelated - who occupy a single housekeeping unit. (See "Family")

HOME Program - The HOME Investment Partnerships Act, which is Title II of the National Affordable Housing Act and establishes a new block grant program to fund rental and home ownership opportunities through new construction, acquisition, and rehabilitation.

Maintain - To keep in an existing state. (See "Preserve").

Manufactured Housing - Houses which are constructed entirely in the factory, and which since 1976 have been regulated by the federal Manufactured Home Construction and Safety Standards under the administration of the U.S. Department of Housing and Urban Development (HUD). (See "Mobile Home" and "Modular Unit").

Ministerial Review - The review of an application for a building or land use permit which involves no judgment as to whether or not the applicable regulatory requirements have been met. (See "Discretionary Review").

Mixed-Use - Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design.

Mobile Home - A structure, transportable in one or more sections, built on a permanent chassis and designed for use as a single-family dwelling unit and which (1) has a minimum of 400 square feet of living space; (2) has a minimum width in excess of 102 inches; (3) is connected to all available permanent utilities; and (4) is tied down (a) to a permanent foundation on a lot either owned or leased by the homeowner or (b) is set on piers, with wheels removed and skirted, in a mobile home park under a lease with a minimum period of one year. (See "Manufactured Housing" and "Modular Unit").

Moderate Income Household - A household with an annual income between the lower income eligibility limits and 120 percent of the area median family income adjusted by household size, usually as established by the U.S. Department of Housing and Urban Development (HUD).

Modular Unit - A factory-fabricated transportable building or major component designed for use by itself or for incorporation with similar units on-site into a structure for residential, commercial, educational, or industrial use. A modular unit does not have any chassis for future movement. (See "Mobile Home" and "Manufactured Housing").

Multi-family Building - A detached building designed and used exclusively as a dwelling by three or more families occupying separate suites.

Objective - A specific statement of desired future condition toward which the City will expend effort in the context of striving to achieve a broader goal. An objective should be achievable and, where possible, should be measurable.

Preserve - can refer to maintaining existing units in a current status or can also refer to keeping existing units affordable to lower income households which are legally eligible to convert to

market rate status.

Single-Family Dwelling, Attached - A dwelling unit occupied or intended for occupancy by only one household that is structurally connected with other such dwelling units.

Single-family Dwelling, Detached - A dwelling unit occupied or intended for occupancy by only one household that is structurally independent from any other such dwelling unit or structure intended for residential or other use.

Single-Room Occupancy Unit - A unit of 220 square feet or less within a hotel providing sleeping or living facilities in which sanitary facilities may be provided within the unit and cooking facilities may be shared within the hotel (City of San Diego).

Small Family - A two, three, or four member family household which is not an "elderly household", as defined above.

Substandard Housing - Residential dwellings, which because of their physical condition, do not provide safe and sanitary housing.

Vacant - Land or buildings which are not actively used for any purpose.

Very Low Income Household - A household whose annual income does not exceed 50 percent of the area median income, as determined by the U.S. Department of Housing and Urban Development (HUD), with adjustments for smaller and larger households.

Zoning - The division of a city by legislative regulations into areas, or zones, which specify allowable uses for real property and size restrictions for buildings within these areas; a program that implements policies of the General Plan.

Zoning District - A designated section of the City for which prescribed land use requirements and building and development standards are uniform.

Zoning, Exclusionary - Development regulations which result in the exclusion of low and moderate income and/or minority families from a community.

Zoning, Inclusionary - Regulations which increase housing choice by providing the opportunity to construct more diverse and economical housing to meet the needs of low land moderate income families. Often, such regulations require a minimum percentage of housing for low and moderate income households in new housing developments and in conversions of apartments to condominiums.

HOUSING ELEMENT
APPENDIX N

Gap Between Cost of Housing and What Low and Moderate Income Households Can Afford

APPENDIX N

GAP BETWEEN COST OF HOUSING AND WHAT LOW AND MODERATE INCOME HOUSEHOLDS CAN AFFORD

As the following table illustrates, the rent on a newly constructed 2 bedroom, 2 bath garden apartment would range from $1,370 - $1,940 per month, depending on location. The same unit in a 4 story building with underground parking would rent from $1,440 - $1,940 depending on location.

However, a four person family with an income of $34,150[1] (65% of San Diego area median income) could afford[2] to pay only $854 per month. If this family had an income of $26,250 (50% of San Diego area median income), they could afford to pay only $656 per month. According to the most recent Consolidated Plan prepared by the San Diego Housing Commission, San Diego has over 106,000 households paying more than 30% of their income for housing.

In this example, for a 2 bedroom, 2 bath garden apartment, the affordability gap for the family at 65% of area median income would range from $516 - $1,085 per month. For the family at 50% of area median income, the affordability gap for the same unit would range from $714 - $1,284 per month.

A new construction affordable housing project in the South Bay where land values average $30,000 - $40,000 per unit would require financial subsidies of between $25,000 - $35,000 per unit. The same project in a north coastal community where land values average between $60,000 - $70,000 per unit would require subsidies of between $55,000 - $65,000 per unit. New construction affordable projects tend to focus on meeting the needs of large families with at least half the units having 3 or 4 bedrooms. On a per bedroom basis, the financial subsidies would average $10,000 - $15,000 per bedroom in the Souyh Bay and $25,000 - $30,000 in the North Coast communities.

Acquisition and rehabilitation of existing projects is an alternative to new construction. However, significant financial gaps arise in these projects as well. The smaller the project, the higher the per unit subsidy. A typical small acquisition/rehab project might involve 25 units and assuming a $45,000 per unit acquisition price, would require a subsidy of between $35,000 - $40,000 per unit. This would translate into approximately $25,000 per bedroom. These costs assume rehab to federal standards. (Most existing projects are comprised of 1 and 2 bedroom units.

A number of HUD financed projects are being acquired and rehabilitated. These projects qualify within a very narrow IRS interpretation that enable the acquisition price of the project to qualify for Federal Low Income Housing Tax Credits. A typical project would be approximately 200 units.

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[1]Based on March, 2000 Median Area Income for San Diego County of $53,700 for a four person household, as determined by HUD and the California Department of Housing and Community Development.

[2]Housing affordability is defined as paying no more than 30% of gross income for housing, including utilities.

Required Market Rate Rents for Various Multi-Family Product Types North Coast and South Bay		
Product Type Land Cost Range Total Development Cost Sales Price or Rent Range Average Density	**North Coast**	**South Bay**
Townhouse Condominiums[3]		
Land Cost per DU[4]	$100,000	$50,000
Total Development Cost[5]	$200,000	$100,000
Sales Price per DU	$300,000	$150,000
Average Density per DU	10	10
Garden Apartments[6]		
Land Cost Range per DU	$60,000 - 70,000	$30,000 - 40,000
Total Development Cost[7]	$150,000 - 162,000	$114,000 - 126,000
Rent Range per DU per month	$1,800 - 1,944	$1,368 - $1,512
Average Density per DU	20	20
Four Stories Over Underground Parking		
Land Cost Range per DU	$60,000 - 70,000	$30,000 - 40,000
Total Development Cost[8]	$180,000 - 192,000	$144,000 - 156,000
Rent Range per DU per month	$2,160 -2,304	$1,728 - 1,872
Average Density per DU	40 - 50	40 - 50

[3]Townhouse condominiums are assumed to be 1,600 - 1,700 square feet with 3 BR's and 2 baths.

[4]Land costs include in addition to land, infrastructure costs, permit fees and development impact fees

[5]Total development costs for townhouses include soft costs and developer profit.

[6]Garden Apartments are assumed to be 1,000 square feet with 2 BR's and 2 baths

[7]Total development costs include land costs plus construction @$65/sf plus soft costs @ 20%.

[8]Total development costs include land costs plus construction costs @$90/sf plus soft costs @ 20%

HOUSING ELEMENT
APPENDIX O

City Council Resolution Authorizing Housing Element for Submittal to HCD