



**THE CITY OF SAN DIEGO
COUNCIL PRESIDENT GEORGETTE GÓMEZ, NINTH DISTRICT
COUNCILMEMBER MONICA MONTGOMERY, FOURTH DISTRICT
COUNCILMEMBER VIVIAN MORENO, EIGHTH DISTRICT**

M E M O R A N D U M

DATE: February 1, 2019

TO: Lydia Moreno, Interim Director, Economic Development Department

FROM: Council President Georgette Gómez, District 9
Councilmember Monica Montgomery, District 4
Councilmember Vivian Moreno, District 8

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SUBJECT: Input on Fiscal Year 2020-2024 Consolidated Plan Expenditures

We are submitting this joint memo to provide input regarding proposed expenditures for the Fiscal Year 2020-2024 Consolidated Plan in line with the goals that were adopted by the Council last year.

The process to develop the Consolidated Plan is conducted only once every five years, so it is imperative for our offices, along with critical stakeholders, to provide direct input on how the City of San Diego prioritizes and deploys the estimated \$125 million in Community Development Block Grant (CDBG) resources in low-to-moderate-income (LMI) communities.

The adopted goals in the Fiscal Year 2020-2024 Consolidated Plan (located in Attachment 1) aim to tackle some of the most pressing issues impacting our LMI communities in San Diego. However, we can be more targeted with these goals as we enter the new Consolidated Plan, and aim to make a more equitable impact on the most disadvantaged families in our neighborhoods. We offer the following three categories of expenditures for your consideration over the next five years of the new Consolidated Plan:

- 1. Develop a Transit-Oriented Development Fund to support the creation of affordable and workforce housing in LMI census tracts.**

Applicable Consolidated Plan Goal:

GOAL #1: Increase and preserve affordable rental and homeowner housing to improve access to housing opportunities that reflect community needs.

Expenditure Proposal:

The housing crisis in San Diego falls especially hard upon our low-income and working families, who are increasingly at risk of becoming homeless. We must develop more housing that is affordable to low income San Diegans in the LMI areas of our City.

We propose using the additional CDBG program income currently funding the Reinvestment Initiative to create a transit-oriented development fund that will support the creation of affordable housing in LMI census tracts, along with the public infrastructure and business development necessary to support increased residential populations.

Nearly \$215 million in additional CDBG funding is coming back into the City over the next ten to fifteen years as repayment of CDBG program income from San Diego's redevelopment successor agency. The plan to expend this repayment of CDBG Program Income has been named the Reinvestment Initiative by staff. On April 25, 2017 the Council approved a Substantial Amendment to the FY 2015-2019 Consolidated Plan for the City's HUD Programs (Plan). Expenditures planned for the Reinvestment Initiative in FY2018 total \$17 million. Given that the City is in the final year of its existing consolidated plan, it is critical to reconsider how best to target this additional CDBG program income as soon as possible.

Given the urgency of the crisis, it is imperative that we expend this funding quickly and efficiently. The San Diego Housing Commission (SDHC) is best positioned to manage this new fund. SDHC could use existing staff to administer this fund and look to leverage it to receive more funding from public and private sources. We look forward to hearing input regarding this proposal from both the Economic Development Department and SDHC at an upcoming meeting of the Public Safety and Livable Neighborhoods Committee.

2. Invest in streetlights, sidewalks, and bike facilities to uplift the quality of life for our neighborhoods.

Applicable Consolidated Plan Goal:

GOAL #4: Support the development of vibrant, equitable, and adaptable neighborhoods by investing in public facilities and critical infrastructure.

Expenditure Proposal:

While there has been significant progress in expanding the City's Capital Improvements Program (CIP) with record investments over the past few years, we propose that a portion of CDBG funds be used to install infrastructure that would help uplift the quality of life in our highly urbanized neighborhoods.

According to the *FY 2020-2024 Five-Year Capital Infrastructure Planning Outlook (CIP Outlook)*, there are several asset classes that provide a basic level of service to our communities, yet remain underfunded and have significant need over the next five years. In Attachment 2 to this memo,

we've summarized information from the *CIP* Outlook into a table that shows that streetlights, bike facilities, storm water, parks, and sidewalks all have the greatest identified need over the next five years.

Due to community feedback in a series of Consolidated Plan forums that were conducted last summer, we recommend that the City deploy CDBG dollars to invest in streetlights (only 3.4% of need funded over next 5 years), bike facilities (3.9%), and sidewalks (18.6%) in our communities due to their historic underfunding and identified need.

We are suggesting specific street light locations in our districts in Attachment 3 to this memo.

3. Support equitable investments in quality public services for the most vulnerable populations in LMI census tracts.

Applicable Consolidated Plan Goal:

GOAL #3: Foster individual and household resiliency by investing in employment and workforce development programs and improving access to job opportunities.

GOAL #6: Invest in community services that promote equity and serve vulnerable populations including, but not limited to, refugees and recent immigrants, previously incarcerated, veterans, youth, seniors and food insecure households.

Expenditure Proposal:

Investments in specific social service providers should be made to promote equity for the most vulnerable populations. These providers should provide services for, and not limited to, youth, seniors, refugees, immigrants, previously incarcerated, veterans and food insecure households. The investment in quality services for the community, will have lasting impacts in not only the improved quality of life for individuals, but will serve as foundations propelling an individual towards self-sufficiency. The following are critical services/programs that should be accessible in the City of San Diego.

- **Financial Empowerment Centers:** The financial empowerment centers should provide low-income communities with free professional, one-on-one financial counseling to help residents acquire financial literacy and address their financial needs.
 - Financial literacy programs
 - Earned income tax credits
 - Small business development
 - Credit enhancements
 - Retirement planning

- **Office of New Americans:** To assist new immigrants and refugees on their new journeys in the United States. Services must include skills development, English classes

and access to other resources that would ease transition into a new life in the US as well as in the work force.

- **Youth Employment and Workforce Development:** The City needs to analyze, develop and implement a means to monitor the progress and outcomes for youth. According to the San Diego Workforce Partnership, 9.4% of youth are disconnected from school and work. The following services should be provided to serve San Diego's youth.
 - Employment preparation and assistance
 - Peer advising
 - Education and career coaching

- **Assistance for ex-offenders/previously incarcerated:** Workforce reentry programs are critical for ex-offenders and previously incarcerated individuals. As members of the community their needs must be addressed in a manner that upholds their dignity while providing a path for their economic development.
 - Paid internships
 - Education and workforce development
 - One stop shop career centers
 - Union apprenticeship programs
 - Mental health and life skills training focusing on self-healing
 - Expungement clinics
 - Legal Clinics

4. Initiate an Accessory Dwelling Unit (ADU) or Tiny Home Loan Pilot Project for LMI communities and those experiencing homelessness.

Applicable Consolidated Plan Goal:

GOAL #1: Increase and preserve affordable rental and homeowner housing to improve access to housing opportunities that reflect community needs.

GOAL #5: Assist individuals and families to gain stable housing after experiencing homelessness or a housing crisis by providing appropriate housing and service solutions grounded in best practices.

Expenditure Proposal:

With the continued challenge of a growing homeless population in San Diego, it is essential that we find innovative solutions for both transitional and permanent housing. Cities such as Los Angeles, Seattle, and Portland have developed programs through offering public land and funding to support temporary "Tiny Home Communities" for people experiencing homelessness. Tiny Homes are units smaller than 400 square feet that can be configured as either standalone

or modular. By establishing Tiny Home bridge communities, we can help provide a safer environment for vulnerable populations in the neighborhoods we serve, improve access to services for those experiencing homelessness, and help individuals in our districts transition to permanent housing.

The relative affordability and scalability of Tiny Homes make them an attractive option for low-to-moderate income housing. According to the American Tiny House Association, who gave a presentation to the Select Committee on Homelessness on November 15, 2018, the average total investment for a Tiny Home unit is \$85,000. With a rent of \$900 per month, or an annual rent of \$10,800, it serves as a great option to support our goal to keep housing affordable for all our communities.

Further, we propose that the City provide incentives to single-family property owners in San Diego that are willing to either construct a new Accessory Dwelling Unit (ADU), or renovate an existing unit that will house individuals and families transitioning out of homelessness. Further, this incentive program, coupled with a trusted technical assistance provider, could help impacted homeowners throughout the financing, design, and construction process.

We propose that we utilize CDBG funds to support an ADU or Tiny Home loan pilot project. Both ADUs and Tiny Homes can provide San Diegans in LMI census tracts with a cost-effective solution to a pressing issue that often lends itself to costly remedies.

Conclusion

People who most often have the need for resources and intentional outreach are often overlooked when it comes to providing services based on income. We hope that through these suggestions we can capture some of the concerns of the most vulnerable residents in our districts – residents who need tools and resources to lift out of poverty. We hope that this memo encourages you to take a closer look at expenditures from the Fiscal Year 2020-2024 Consolidated Plan and how allocations for funding create real impacts for LMI residents in San Diego.

Thank you in advance for your consideration. If you would like to discuss further, please contact our offices.

cc: Erik Caldwell, Deputy Chief Operating Officer for Smart & Sustainable Communities
Stephen Maduli-Williams, Program Manager, Economic Development
Michele Marano, Community Development Coordinator, Economic Development

ATTACHMENT 1: FISCAL YEAR 2020-2024 CONSOLIDATED PLAN GOALS

ATTACHMENT 2: SUMMARY OF CAPITAL ASSET NEEDS FY20-FY24, SORTED BY PERCENTAGE FUNDED

ATTACHMENT 3: PROPOSED STREET LIGHT LOCATIONS IN COUNCIL DISTRICTS 4, 8, AND 9

City of San Diego, Consolidated Plan Goals 2020-2024

GOAL 1: Increase and preserve **affordable rental and homeowner housing** to improve access to housing opportunities that reflect community needs.

Previous Consolidated Plan Goal: Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.

GOAL 2: Enhance the City's economic stability by investing in inclusive economic growth initiatives that develop and strengthen **small businesses and support local entrepreneurs**.

Previous Consolidated Plan Goal: Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.

GOAL 3: Foster individual and household resiliency by **investing in employment and workforce development** programs and improving access to job opportunities.

Previous Consolidated Plan Goal: Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.

GOAL 4: Support the development of vibrant, equitable, and adaptable neighborhoods by investing in **public facilities and critical infrastructure**.

Previous Consolidated Plan Goal: Strengthen neighborhoods by investing in the City's critical public infrastructure needs.

GOAL 5: **Assist individuals and families to gain stable housing after experiencing homelessness or a housing crisis** by providing appropriate housing and service solutions grounded in best practices.

Previous Consolidated Plan Goal: Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.

GOAL 6: Invest in **community services that promote equity and serve vulnerable populations** including, but not limited to, refugees and recent immigrants, previously incarcerated, veterans, youth, seniors and food insecure households.

Previous Consolidated Plan Goal: Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors and food insecure households.

GOAL 7: Finance **impactful nonprofit facility improvements** to provide new or increased access to programs that serve vulnerable populations or implement sustainability measures.

Previous Consolidated Plan Goal: Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors and food insecure household

Summary of Capital Asset Need, Funding and Gap in FY2020-2024

Asset Type	Need	Funding	Gap	Percent of needs funded
New Lifeguard Stations	\$ 17,319,697	- \$	\$ 17,319,697	0%
Streetlights	\$ 208,980,000	\$ 7,098,803	\$ 201,881,197	3.4%
Bike Facilities	\$ 129,261,000	\$ 5,055,000	\$ 124,206,000	3.9%
Storm Water	\$ 775,126,396	\$ 55,344,797	\$ 719,781,599	7.1%
Parks	\$ 180,424,834	\$ 21,564,157	\$ 158,860,677	11.9%
Sidewalks	\$ 153,350,000	\$ 28,580,083	\$ 124,769,917	18.6%
New Libraries	\$ 18,000,000	\$ 4,040,454	\$ 13,939,454	22.4%
Traffic Signals and ITS	\$ 147,092,600	\$ 35,630,000	\$ 111,462,600	24.2%
Existing GF Facilities	\$ 379,142,607	\$ 127,629,308	\$ 251,513,299	33.7%
Bridges	\$ 84,282,689	\$ 31,215,658	\$ 53,067,031	37%
Streets and Roads - Modifications	\$ 110,853,175	\$ 51,543,287	\$ 59,309,888	46.5%
Pure Water - Potable Reuse	\$ 1,426,675,130	\$ 1,426,675,130	-	100%
Water - Baseline CIP	\$ 855,837,043	\$ 855,837,043	-	100%
Wastewater - Baseline CIP	\$ 650,811,666	\$ 650,811,666	-	100%
Streets and Roads - Pavement	\$ 222,500,000	\$ 222,500,000	-	100%
New Fire Stations	\$ 124,992,447	\$ 124,992,447	-	100%
Landfills	\$ 49,350,000	\$ 49,350,000	-	100%
Parks - Mission Bay Improvements	\$ 45,062,754	\$ 45,062,754	-	100%
Airports	\$ 13,800,000	\$ 13,800,000	-	100%
Parks - Golf Courses	\$ 3,000,000	\$ 3,000,000	-	100%
Stadium	\$ 750,000	\$ 750,000	-	100%

Source: FY 2020-2024 Five Year Capital Infrastructure Planning Outlook

Proposed Street Light Installations in Council District 4

Title	Community	Estimate
Churchward Street east of Euclid Avenue 272', south side	Encanto Neighborhoods, Southeastern	\$ 10,000
Churchward Street east of Euclid Avenue 272', south side	Encanto Neighborhoods, Southeastern	\$ 10,000
Briarwood Road north of Alsacia Street 250'	Skyline-Paradise Hills	\$ 10,000
Briarwood Road south of Alsacia Street 260'	Skyline-Paradise Hills	\$ 10,000
47th Street north of Ocean View Boulevard 350', west side	Encanto Neighborhoods, Southeastern	\$ 5,000
47th Street south of Ocean View Boulevard 161', west side	Encanto Neighborhoods, Southeastern	\$ 10,000
47th Street south of Ocean View Boulevard 311', east side	Encanto Neighborhoods, Southeastern	\$ 10,000
Reo Drive south of Rancho Hills Drive 310', east side	Skyline-Paradise Hills	\$ 2,500
Reo Drive south of Rancho Hills Drive 310', west side	Skyline-Paradise Hills	\$ 2,500
Klauber Avenue south of Schimitar Drive 325', east side	Encanto Neighborhoods, Southeastern	\$ 10,000
S Woodman Street south of Arroyo Seco Way 335', west side	Encanto Neighborhoods, Southeastern	\$ 18,000
S Woodman Street south of Arroyo Seco Way 160', east side	Skyline-Paradise Hills	\$ 18,000
Radio Drive east of Winnett Street 293', north side	Encanto Neighborhoods, Southeastern	\$ 2,000
Cardiff Street at San Vicente Street, northwest corner	Skyline-Paradise Hills	\$ 20,000
Cardiff Street at San Vicente Street, southeast corner	Skyline-Paradise Hills	\$ 20,000

Proposed Street Light Installations in Council District 8

Title	Community	Estimate	High Accident	ID #
SAN YSIDRO				
Otay Mesa Road north of Beyer Boulevard 265', east side	San Ysidro	\$ 2,000		4508
Otay Mesa Road south of Otay Mesa Place 540', east side	San Ysidro	\$ 2,000		4509
San Ysidro (East) Boulevard north of Border village Road 320', east side	San Ysidro	\$ 15,000	Yes	3464
San Ysidro (East) Boulevard north of Border village Road 583', east side	San Ysidro	\$ 15,000	Yes	3465
San Ysidro (East) Boulevard north of Cam De La Plaza 212', west side	San Ysidro	\$ 15,000	Yes	3466
San Ysidro (East) Boulevard north of Cam De La Plaza 347', west side	San Ysidro	\$ 15,000	Yes	3467
San Ysidro (East) Boulevard north of Cam De La Plaza 350', east side	San Ysidro	\$ 15,000	Yes	3468
San Ysidro (East) Boulevard north of Cam De La Plaza 492', west side	San Ysidro	\$ 15,000	Yes	3469
San Ysidro (East) Boulevard north of Cam De La Plaza 495', east side	San Ysidro	\$ 15,000	Yes	3470
San Ysidro (East) Boulevard north of Virginia Avenue, east side	San Ysidro	\$ 15,000	Yes	3471
Antares Drive east of Caithness Drive 190', south side	San Ysidro	\$ 18,000		5170
Beyer Boulevard east of Cottonwood Road 185', south side	San Ysidro	\$ 15,000		3796
East Park Avenue north of Hall Avenue 155', east side	San Ysidro	\$ 15,000		3669
Howard (SB) Avenue north of Via Costina 300', east side	San Ysidro	\$ 15,000		3486
Tennie Street west of Sanger Place 260', north side	San Ysidro	\$ 8,000		4143
W Hall Avenue west of Cypress Drive 150', south side	San Ysidro	\$ 2,000		4877
OTAY MESA/NESTOR				
Del Sol Blvd east of Del Sur Blvd 230', south side	Otay Mesa-Nestor	\$ 18,000		5400
Del Sol Blvd west of Del Sol Lane 545', north side	Otay Mesa-Nestor	\$ 18,000		5402
Otay Mesa Road east of Remington Hills Drive 310', north side	Otay Mesa/ Remington Hills	\$ 15,000		4515
Otay Mesa Road west of Hawken Drive 310', south side	Otay Mesa/ Remington Hills	\$ 15,000		4518
Surf Crest Drive north of Sea Urchin Drive 125', west side	Otay Mesa	\$ 15,000	Yes	3257
Via de la Amistad east of Paseo de las Americas 450', north side	Otay Mesa	\$ 18,000		5346
Vista Santo Domingo south of Avnda De Las Vistas 1020', west side	Otay Mesa	\$ 15,000	Yes	4019
Dahlia Avenue west of Saturn Blvd 105', south side	Otay Mesa-Nestor	\$ 2,500		5418
Via de la Amistad east of Paseo de las Americas 1090', north side	Otay Mesa	\$ 18,000		5350
Palm Avenue east of Hawaii Avenue 480', south side	Otay Mesa-Nestor	\$ 15,000		3613
Palm Avenue west of Beyer Way 130', south side	Otay Mesa-Nestor	\$ 15,000		3610
Citrus Avenue west of Hollister Street 266', south side	Otay Mesa-Nestor	\$ 2,000		3591
Del Sol Lane south of Arruza Street 62', west side	Otay Mesa-Nestor	\$ 15,000		4938
Hollister Street north of Palm (SB) Avenue 435', west side	Otay Mesa-Nestor	\$ 2,500		5124
Iris Avenue west of 25th (SB) Street 170', south side	Otay Mesa-Nestor	\$ 15,000		3420
Gaywood Street south of Coronado (SB) Av 330', west side	Otay Mesa-Nestor	\$ 8,000		4696
Twining Avenue north of Kimsue Way 190', east side	Otay Mesa-Nestor	\$ 15,000		4692
NORTHERN COMMUNITIES				
Imperial Avenue west of 19th Street 210', north side	Southeastern San Diego	\$ 7,500		5650
Imperial Avenue west of 19th Street 220', south side	Southeastern San Diego	\$ 7,500		5652
Logan Avenue northwest of Sigsbee Street 184', south side	Barrio Logan	\$ 20,000	Yes	3355
Logan Avenue southeast of Beardsley Street 140', south side	Barrio Logan	\$ 15,000	Yes	3356
Logan Avenue southeast of Sigsbee Street 465', north side	Barrio Logan	\$ 15,000	Yes	3357
Newton Avenue northwest of Beardsley Street 153', north side	Barrio Logan	\$ 15,000	Yes	3366
Newton Avenue southeast of Sigsbee Street 150', north side	Barrio Logan	\$ 15,000	Yes	3367
S 16th Street north of Newton Avenue 150', east side	Barrio Logan	\$ 8,000		5027
S Evans Street south of Julian Avenue 180', west side, at alley	Southeastern San Diego	\$ 2,000		4020
Sigsbee Street south of Logan Avenue 164', at alley, northwest corner	Barrio Logan	\$ 10,000	Yes	3368
Island Avenue east of 27th Street 213', south side	Southeastern [Grant Hill]	\$ 2,000	Yes	3288
Market Street east of 27th Street 114', north side	Southeastern [Grant Hill]	\$ 15,000	Yes	3099
20th Street north of K Street 172', west side	Southeastern [Sherman Heights]	\$ 2,000	Yes	3063
J Street west of 20th Street 119', south side	Southeastern [Sherman Heights]	\$ 2,000	Yes	3065
L Street east of 22nd Street 285', south side	Southeastern San Diego	\$ 2,000	Yes	3223
Irving Avenue east of Sampson Street 155', south side	Southeastern San Diego	\$ 8,000		4926
24th Street, 135' north of Imperial Av, east side	Southeastern San Diego	\$ 2,000		4711
TOTAL COST:	50 Lights	\$ 567,000		

PROPOSED STREET LIGHT LOCATIONS IN COUNCIL DISTRICT 9

- **Castle Lighting:** It is imperative that we provide adequate lighting in the Castle neighborhood, which is inclusive of the following area:
 - South of University Ave. from Interstate-15 to Fairmount Ave.
 - North of Manzanita Canyon from Interstate-15 to Fairmount Ave.
 - East of Interstate-15 from University Ave. to Manzanita Canyon
 - West of Fairmount Ave. from University Ave. to Manzanita Canyon

I recommend that the City install 8 mid-block street lights in this community. In doing so, a private entity would match the investment with another 8 mid-block street lights.
Approximate cost: \$120,000.

- **Mountain View and Willie Henderson Sports Complex Lighting:** I propose that we install street lights in the following areas:
 - S 39th Street north of Superior Street at alley 120', west side streetlight
 - S 39th Street south of Imperial Avenue at alley 120', west side streetlight
 - 44th Street, north of K Street, at the end of cul-de-sac, west side
 - 44th Street, north of K Street, at the end of cul-de-sac, west side
 - 44th Street, north of K Street ~380', west side
 - 44th Street, north of K Street ~172', west side

Approximate cost: \$10,000.

- **Mt. Hope Lighting:** The community of Mt. Hope lacks sufficient street and parks lighting. It is imperative that we provide adequate lighting in Mountain View due to the high crime in the neighborhood. I propose that we install street lights in the following areas:
 - Federal Boulevard west of Home Avenue 940', at end of cul-de-sac
 - Southlook Avenue south of Gilmore Street 165', west side streetlight
 - Southlook Avenue south of Imperial Avenue 110', west side streetlight
 - Gavin Street, south of J Street ~175', east side
 - Carlos Street, north of J Street ~195', east side

Approximate cost: \$46,000.

- **Reservoir Drive Lighting:** I recommend the installation of street lights along Reservoir Dr. from Montezuma Rd. to Alvarado Rd. to mitigate the public safety concerns in the College Area. *Approximate cost: Unknown.*

- **Southcrest Lighting**

- Acacia Street west of South 35th Street 140', north side streetlight
- Delta Street east of Acacia Street 150', south side
- Delta Street east of Acacia Street 150', south side
- 35th Street north of Tompkins Street 135', west side
- S 38th Street south of Superior Street 160', east side
- S 39th Street south of T Street 150', east side
- 39th Street north of F Street 170', west side
- 39th Street south of Hilltop Drive 130', west side
- 42nd Street north of F Street 120', west side
- 42nd Street south of Hilltop Drive 170', west side

Approximate cost: \$67,500.