



The City of



Economic Development

MEETING NOTES

San Diego Promise Zone

Housing Affordability Meeting Notes

Thursday, September 8th, 2022 | 2:30 – 4:00 PM

Via Zoom (Meeting ID: 160 198 7510)

Working Group Goal: To increase access to quality affordable housing.

In Attendance

City of San Diego—CD4, City of San Diego—Economic Development Department, CornerStone Koenonia Connections, Logan Heights Community Development Corporation, Regional Taskforce on Homelessness, San Diego County Office of Education, San Diego for Every Child, San Diego Housing Commission, Social Advocates for Youth (SAY) San Diego, University of California San Diego, U.S. Department of Housing & Urban Development, Yes, in God's Backyard (YIGBY)

Meeting Notes

Welcome, Agenda Review, and Working Group Updates

- For the culture share activity, the group was asked to name one thing that has been passed down to you by family OR name one thing that you want to pass down to your family.
 - The group's responses were grandmother's plates, grandmother's ring, grandmother's tea cake recipe, first name, sports, photo albums of past generations, the love of reading and books, tamales recipe, grandfather's sombrero, and family flan recipe.
- Staff shared the [new website for homelessness services under the City of San Diego](#) and the [City's Development Service Department's \(DSD\) new customer call center](#).
- Working Group Updates
 - In August, Economic Activity discussed next steps to establish a California Coast Credit Union branch in the Promise Zone and received a presentation from Staff with a map identifying financial institutions within the Promise Zone, to demonstrate the highest areas of need for banking services.
 - The Jobs & Education working groups did a Partner Spotlight and explored opportunities for collaboration with Dream and Ducats, a community-based organization that centers on teaching youth life-skills training, financial literacy, and entrepreneurship. The group also heard from the Office of Child and Youth Success on enrollment number updates for the City's "Employ + Empower" youth workforce program. The Department of IT presented on the Get Connected Campaign and elicited feedback from Partners on the most effective outreach

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and engagement practices within the Promise Zone and communities that lack broadband access to help shape the planning of SD Access 4 All's community engagement efforts.

- Healthy Communities heard from the County of San Diego Health and Human Services on the County's ARPA funding for community food production. Co-Chairs and Staff identified potential Quick Build Project Sites within, or in the surrounding area of the Promise Zone with the support of the San Diego County Bike Coalition and input from the Urban Collaborative Project.

Bridge to Home Program Update

Monica Hardman, Deputy Director at the City of San Diego's Economic Development Department

- Recap of Round 1: There were 7 recommended affordable housing projects. Out of 7 projects, 6 projects have been approved by City Council and the 7th housing project is expected to go under consideration in October.
- Round 2 has three funding sources:
 - Low and Moderate Income Housing Asset Fund (LMIHAF)
 - Permanent Local Housing Allocation (PLHA)
 - Community Development Block Grant (CDBG) Program
- The prequalified development teams that were not funded in Round 1, are invited to reapply.
- There is \$20 Million available for Round 2. The 3 Projects recommended will create a total of 242 affordable housing units in Council Districts 4, 8, and 9. This is all located within the Promise Zone, Opportunity Zones, or underserved census tract.
- Project 1 on Iris Ave. Trolley will use the community areas to provide services such as financial literacy classes, computer classes, after-school tutoring, and ESL. The project will have 64 units with a cost of \$74,824 per unit with an anticipated completion date of August 2024.
- Project 2 on Encanto Gateway will use a four-story building that is public transit-oriented and will incorporate an energy-efficient design. This project will have 65 units, with the cost being \$84,615 per unit. 9 units will be dedicated to permanent supportive housing. The anticipated completion date for this project is June 2025.
- Project 3 on Cuatro at City Heights will have 30 of 117 units set aside as permanent supportive housing for those at risk of experiencing homelessness. This will include 2,500 square feet of commercial space with rich amenities like an outdoor courtyard, a resident garden, and a second-floor terrace. The cost per unit is \$34,188 with an anticipated completion date of July 2025.
- The Economic Development Department has begun the process of negotiating with each Development team working to finalize the financing terms within the coming months.
- The three projects will be monitored on an annual basis.
- Projects will be brought forth to City Council between October and December 2022.
- The City's Economic Development Department recently launched the [Bridge to Home website](#).
- By the end of the calendar year, it is estimated that the Council will have approved the 662 units in Round 1 and the 242 units in Round 2.

Questions asked after the update:

- How much additional funding will be made available in Round 3 for affordable housing unit developers?
 - There will be between \$20-25 Million available in January and March of 2023.
 - Developers who may not have qualified in previous rounds may qualify for funds now.
- Has there been any enhanced equity practices in the application process?
 - You score better if you are partnering with a small or emerging developer.
 - There is 25% of funding being set aside for small and emerging developers for projects that are 40 units or less.
- Will there be a list or baseline for what the City is looking for in terms of amenities for Round 3?
 - An energy-efficient design to align with the [Climate Action Plan](#), public transit priority areas, proximity to schools and open space parks, and childcare.
 - For affordable housing, it is driven by available funding.
 - It depends on the population that the project is focusing on.
- How is the Promise Zone/Opportunity Zone designation being leveraged?
 - Projects located within the Promise Zone or an Opportunity Zone score higher in the evaluation process which increases the likelihood of that project being chosen. Scoring is tight and extremely competitive.
 - If you are located within the Promise Zone and Opportunity Zone, you get expedited permitting.

Housing Affordability Communications Strategy

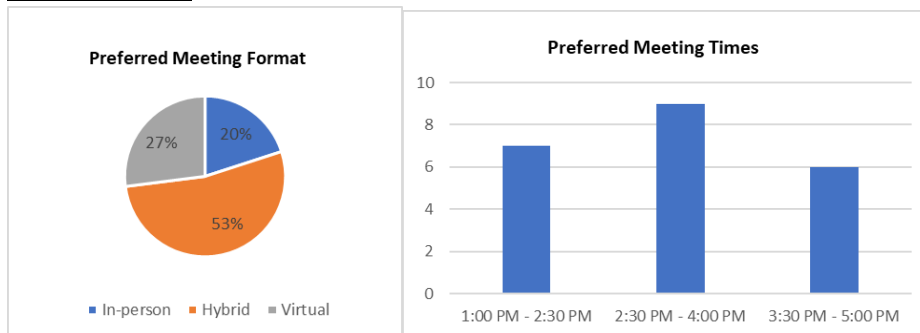
- Staff presented three communication strategies to target three audiences—Partners, residents via Partners, and developers.
- Strategy #1: To reach Partners, Staff will be using email to share and remind them when a grant, funding, or government assistance comes online.
- Strategy #2: To reach Promise Zone residents, Staff will be drafting materials and leveraging existing materials to share with Partners for distribution via their social media accounts.
- Strategy #3: To reach developers, Staff will have a presentation to list general incentives, and resources, and schedule a 1 on 1 to meet with any potential developers.
- The group was asked what mode of communication or platform they suggest to best reach out to residents.
 - The San Diego Housing Commission said that they have struggled with reaching people through social media because they don't have social media accounts.
 - A Partner mentioned that Promise Zone Staff need to provide flyers and make sure all Partners have access to the information. There was a suggestion to do direct mail to send flyers to Partners for distribution.

Home American Rescue Plan Program Update

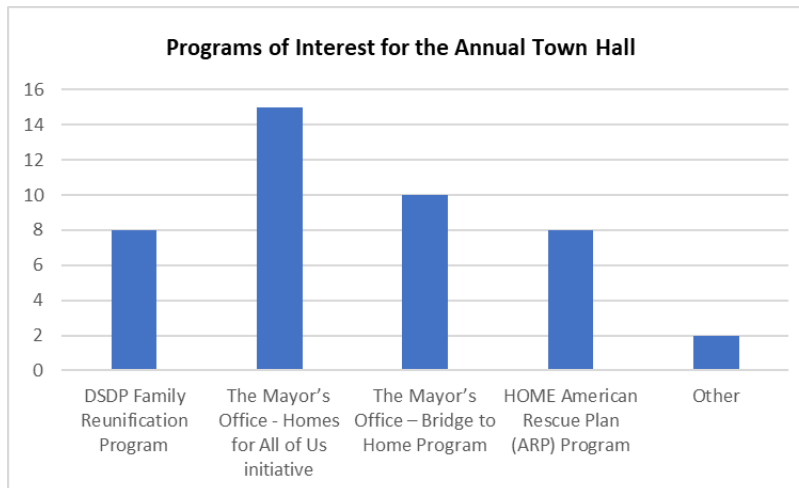
Angela Nazareno-Clark, HUD Program Manager at the City of San Diego's Economic Development Department

- The HOME-ARP Program was released on March 21, 2021, as part of the U.S Housing COVID-19 Program designed to help those impacted by the pandemic. It is a combination of HOME program and an emergency solution grant.
- The budget for HOME-ARP grants ends on September 30th, 2030.
- The City is required to consult with service providers and community members by getting information from the HOME-ARP Allocation Plan survey which was released on June 29th. The survey is asking about ranking what is most critical in terms of funding.
- The City received 95 survey responses to the HOME-ARP Allocation Survey, 27 of which represented organizations that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.
- The eligible activities are:
 - 1. Development of Affordable Housing for Persons Experiencing or At-Risk of Homelessness;
 - 2. Tenant-Based Rental Assistance;
 - 3. Supportive Services to Individuals or Families Not Already Receiving Support;
 - 4. Acquisition and Development of Non-Congregate Shelter.
- The City is proposing to budget funds for:
 - Support the development of Affordable Housing and Acquisition at \$18,433,055
 - Development of Non-Congregate Shelter units at \$2,000,000; and
 - Administration and Planning at \$523,924
- A question was asked regarding the eligibility of supportive services to be funded through HOME-ARP grants.
 - Supportive services can be sourced through the County rather than a one-time funding allocation through HUD.

Town Hall Poll



The pie chart (left) shows the responses to the preferred meeting format for the Town Hall. The bar graph (right) shows the responses to the preferred meeting times for the Town Hall.



The bar graph above shows the responses to the programs of interest for the Town Hall.

Steering Committee Strategic Planning Update

- The Steering Committee formed three Ad-Hoc Committees from June's in-person strategic planning session. These are the Policy, Funding, and Partner Network + Resident Engagement Ad-Hoc Committees.
- The Policy Ad-Hoc Committee is working on developing a policy tracker to begin collecting data regarding policies connected to the San Diego Promise Zone and its partners; collecting the data and engaging communities in this conversation; tracking successes in other Promise Zones to identify value added to partners and advocate for sustainability.
- The Funding Ad-Hoc Committee is working on setting up a cohort of mutual learning where it will be a compilation of community members and community stakeholders to have the opportunity to learn from each other and develop relationships.
- The Partner Network + Resident Engagement Ad-Hoc Committee is working on creating a message, in the form of a packet, of what the Promise Zone is and simplifying it for community members and funders to understand; creating deliverables for Partners to better engage with Promise Zone residents.

Wrap-up and Adjourn

- Digital Comment Box: <https://us16.list-manage.com/survey?u=e913b9d30ca18b3436360cf47&id=62c8f5dc2f>

Next Meeting

Thursday, November 10th, 2022 | 2:30 – 4:00 PM

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