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Mayor Gloria's Action on Housing Recognized as San Diego Receives Prohousing Designation

STATE OF CALIFORNIA RECOGNITION WILL GIVE CITY AN ADVANTAGE IN COMPETING FOR HOUSING FUNDING

SAN DIEGO – Mayor Todd Gloria's commitment to housing action that provides more homes for people in all communities has earned the City of San Diego a "prohousing designation" from the California Department of Housing and Community Development (HCD). This was awarded based on policies adopted by the city that prioritize and expand new home construction and will give the City an advantage over other agencies when competing for state funding for housing and related programs.

"Under the leadership of Mayor Todd Gloria, San Diego continues to take significant steps at the local level to addressing the need for housing," Governor Gavin Newsom said. "As part of only seven communities to receive a Prohousing Designation from the state, the leadership and the community of California's second-largest city is paving the way for others to follow."

"San Diego is part of a unique group of seven cities in California being recognized for their work to increase the development of more housing close to amenities and daily destinations," added HCD Director Gustavo Velasquez. "The state is rewarding these cities with access to exclusive funds to accelerate their efforts."

In 2019, as part of the 2019-2020 Budget Act, <u>Assembly Bill 101</u> enacted the Prohousing Designation Program. Jurisdictions that receive the prohousing designation are given preference when applying for housing, transportation and infrastructure programs. These programs include the <u>Affordable Housing & Sustainable Communities (AHSC)</u>, <u>Infill Infrastructure Grant (IIG)</u>, <u>Transformative Climate Communities (TCC)</u> and the <u>Transit and Intercity Rail Capital Program (TIRCP)</u>. Affordable housing developers who apply for the AHSC grant program will receive additional points if their housing is located within the City.

The San Diego Association of Governments (SANDAG) plans to apply the designation to some of its grant programs as well.

"Housing is the solution to homelessness, a key strategy for climate action and a path to economic opportunity for all our residents, so we are doing everything we can in the City of San Diego to cut red tape and build more," Mayor Todd Gloria said. "I want to thank the State of California for validating the hard work we've done in San Diego to be a state leader in expanding housing opportunities near transit, job centers and college campuses. By passing prohousing policies at the local level and leveraging new tools and funding provided by the State, we will continue to build more homes, so all San Diegans can have a roof over their head at a price they can afford."

In order to qualify for the program, the City is required to have a <u>Housing Element</u> compliant with state law and certified by HCD, as well as to submit an application showing policies that facilitate the planning, approval or construction of more homes.

"With our city in a continuing housing crisis, having the advantage to secure more state funding is an important step toward providing more homes and infrastructure like parks and safe and enjoyable streets for San Diegans of all ages, incomes, family sizes and abilities," said City Planning Director Heidi Vonblum. "Receiving this designation is a significant recognition of our ongoing dedication to providing more home opportunities and infrastructure investments needed to serve our residents and create great communities."

Some of the policies and actions that helped the City earn the title include:

- **Affordable Housing Regulations:** These <u>regulations</u> provide incentives for 100% affordable projects. To be eligible under this program, a development must set aside 100% of the pre-density bonus units as affordable to very low-, low- and moderate-income households.
- Affordable Accessory Dwelling Unit (ADU) Home Density Bonus Program: For every ADU home built and set aside as affordable to very low-, low- or moderate-income households, this program allows an additional ADU home to be built.
- Transit Priority Areas Parking Standards: <u>Allows zero minimum parking requirements</u> for multifamily residential developments in Transit Priority Areas (TPAs), which are areas in major transit corridors or where transit improvements are planned in the next five years.
- Mixed-Use Base Zones: <u>This allows</u> for a mix of residential and non-residential uses within TPAs, with development intensity governed by Floor Area Ratio rather than density per acre. In addition, many of the City's <u>Commercial Base Zones allow residential uses</u> and the <u>IP-3-1 Industrial Park</u> zones allows residential uses.
- **Complete Communities Housing Solutions:** This <u>opt-in incentive program</u> waives density and height limitations and allows for a floor area ratio-based density bonus for development that provides affordable housing and infrastructure amenities.
- **Community Plan Updates:** The City <u>has approved 15 community plan updates</u> since 2015, which have created capacity for more than 98,000 additional homes.

- **OpenDSD:** The City's online portal, <u>OpenDSD</u>, allows the general public to review permits, property information and code enforcement cases.
- Affordable, Infill Housing, and Sustainable Buildings Expedite Program: This program
 provides expedited discretionary and ministerial permit processing for projects that provide five
 or more homes, compared to standard review times, and waives all expedite fees for 100%
 affordable housing projects. In addition, the Permit Now Program streamlines the ministerial
 building permit process for 100% affordable housing projects. For other projects, Express Plan
 Check provides review times 40% to 50% faster than standard review times for an additional fee.
- Permanent supportive housing for people formerly experiencing homelessness: In 2020, the City <u>acquired two hotels</u> totaling 336 units by leveraging the state's Homekey funding, the City's Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, local Community Development Block Grant and private loan proceeds from Chase Bank.

Additionally, Mayor Gloria in 2021 launched the "<u>Bridge to Home</u>" program, under which the City provides gap financing assistance to builders of affordable housing to help get their projects across the finish line. Through two rounds of funding so far, the City has invested roughly \$46 million in 10 projects that will create 904 affordable apartments, 232 of which will be home to San Diegans experiencing homelessness.

Further, the City Council in 2022 passed the first Housing Action Package under Mayor Gloria's "Homes For All of Us" initiative. A second Housing Action Package will be presented to the Council in 2023. Together, these packages comprise 20 unique reforms aimed at making it easier to build housing in all communities.

HCD also announced it was it was giving five other cities the prohousing designation. The City of Sacramento was the first to earn the designation earlier this year.

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