



THE CITY OF SAN DIEGO

TODD GLORIA
MAYOR

M E M O R A N D U M

DATE: July 12, 2024

TO: Council President Sean Elo-Rivera

FROM: Mayor Todd Gloria *Todd Gloria*

SUBJECT: Response to June 28, 2024 memorandum, "Tools to Address San Diego's Housing Crisis"

I am in receipt of your memorandum dated June 28, 2024 with regard to addressing San Diego's homelessness and housing crisis.

In response, I want to state first and foremost that I am proud of all that the City of San Diego has done to address homelessness in our communities, and I want to thank you and our colleagues on the City Council for their support. As you know, past mayors and councils have essentially abdicated their responsibility in the area of addressing homelessness, including voting down shelter proposals and ultimately creating an environment that led to a Hepatitis A outbreak that killed 20 people in 2017. Conversely, our administration has led on this issue and earned a national reputation for tackling homelessness head-on.

As you know, over the past three and a half years, this administration has pursued a comprehensive strategy that tackles our homelessness crisis on all fronts. While the mission is far from accomplished, we have made significant progress together. With the support from the City Council, we have more than doubled the options for people experiencing homelessness to come off the street with a series of new shelter programs tailored to seniors, women, families, LGBTQ youth, domestic abuse survivors and people with substance-use issues. We have congregate shelters; hotels converted to accommodate families; Safe Sleeping sites with individual tents; and Safe Parking lots for people who have a vehicle but not a home. In just over three years, our City-funded outreach, shelter and family reunification programs, have successfully placed more than 3,600 people into permanent housing.

Despite this progress, as you are aware, we continue to receive requests to address homeless encampments in each City Council District. We agree that we must act with urgency to address the homelessness crisis, as San Diegans both housed and unhoused expect, and must continue to serve as a national leader on this issue.

Consistent with our comprehensive shelter strategy, we will build on this progress by bringing forward the largest homeless services proposal this City has ever pursued with the Hope @ Vine Campus. This will not only offer us the chance to get up to 1,000 people off the street and connected to care, but will be the City of San Diego's first long-term homeless shelter. I look forward to the City Council's support for this program.

In summary, we have and will continue to explore and evaluate all options to expand shelter. Below is a formal response to the other suggestions outlined in your memo:

1. Assessment of Publicly Owned Properties

Our City Departments regularly assess City-owned properties for potential use as homeless shelter and service locations. They have been tasked on numerous occasions to review their property portfolios. All Department Directors understand that they each play a critical role in addressing homelessness, so they have been asked to help identify property for use as a shelter. This has been an ongoing effort for the past several years.

Efforts to identify shelter space on public property have produced shelters in several locations, including 16th and Newton, Golden Hall, the former Pier 1 store, Rose Canyon operations yard, 20th and B Street operations yard, Balboa Park 'O' Lot, Aero Drive Safe Parking, Mission Valley Safe Parking, the Old Central Library building, and H Barracks. While these sites present viable options to providing shelter now, it's important to note the majority are not long-term options to address homelessness.

Recent reviews of City-owned properties for shelter considered additional factors, such as whether they are financially practical, operationally feasible, and consistent with the Comprehensive Shelter Strategy presented to the Council in 2023.

These factors, coupled with the desire to produce long-term shelter options on City property, yield additional shelter, as well as housing options at sites such as the Old Central Library, the Housing Navigation Center, and the contemplated redevelopment of Civic Center. City Departments will continue to vet sites as potential homeless shelter options (beyond the additional 1,000 bed campus we've proposed at Hope @ Vine Campus).

Additionally, the City Planning Department is working on an Affordable Home Development Master Plan, which will provide a comprehensive plan to use City-owned property to develop homes for people of all incomes in all communities that are best served by transit and amenities. The Master Plan will reduce development costs and expedite housing construction on public land. Additionally, the Master Plan will identify

potential shelter sites to address the urgent need for increased shelter capacity for people experiencing homelessness.

The City is also exercising leadership by collaborating with other government agencies and working with impacted communities to identify possible locations for shelter space, including San Diego County (Rosecrans Shelter), the Department of Defense (former Veterans Shelter on Rosecrans), and San Diego Unified (Central Elementary School) and others. We are open to additional assessments and collaboration with other partner agencies.

2. Request for Proposals for Privately Owned Properties

This effort is already underway. City staff initiated a procurement to address ongoing public safety issues and is working to bring something forward imminently. Additionally, through the FY25 Budget, the San Diego Housing Commission was tasked with putting forth a request for proposals to solicit potential options for privately owned properties. We hope to learn more about these efforts from the Housing Commission.

3. Eminent Domain and Friendly Condemnation

Due to the complexity involved with eminent domain actions in the State of California, funding and resource limitations, and timeframe considerations, this option will not be pursued by the administration. If the City Council were to pursue this, the City Attorney's Office should first be consulted on this effort for their input and to ensure their support for this approach due to legal parameters set by the eminent domain process.

4. Direct Cash Assistance

The City of San Diego and the San Diego Housing Commission already administer and fund a range of prevention and diversion programs, such as the Eviction Prevention Program, the Housing Instability Prevention Program, and stronger protections for tenants who could be at-risk of homelessness via the Tenant Protection Ordinance. Additionally, the City financially contributes to the Regional Task Force on Homelessness' diversion program which provides assistance such as housing navigation, security deposit assistance, temporary rent assistance, short-term case management, application fees, and utility deposits. An additional subsidy to provide direct assistance via a one-time lump sum payment of \$5,000-\$10,000 in addition to the aforementioned existing programmatic options is duplicative.

Operationalizing such an additional program, as referenced in your memo the Homelessness Strategies and Solutions Department and Housing Commission would need to develop criteria such as, but not limited to, the following (note that depending on eligibility criteria there could be risk of fair housing claims):

- Program outreach and education;
- Client eligibility criteria, such as household income required for receiving the shallow subsidy;
- Criteria for timing of the subsidy related to securing a lease and/or housing;
- Assessment of financial impact to a client for receiving cash subsidy (may reduce or eliminate other federal or state program eligibility);
- Client subsidy scale and duration of shallow subsidy;
- Client recidivism rate back into homelessness at the end of direct assistance; and
- Future eligibility if homelessness is experienced again.

It is important to note that participants in the City's Safe Parking Program may fit the initial criteria outlined above, potentially more so than our shelter clients. A holistic approach to any potential future program should take into account all of the City's programs and clients, not just those within the shelter system.

Additionally, with limited vacancy in affordable housing, any such program must factor in a client's ability to secure units and maintain their unit—either through a successful short-term subsidy, offset by existing monthly income, or a longer-term guaranteed subsidy. Both of these options must be analyzed in order to accurately quantify the true cost of any pilot or long-term program.

Absent an identified funding source and with the concerns stated above, such a program is not viable.

Acknowledging that our work is far from over, I remain committed to expanding shelter and housing for all San Diegans, and am grateful for our continued partnership to turn our collective vision into reality.

cc: Honorable Members of the City Council
 Honorable City Attorney Mara W. Elliott
 Eric Dargan, Chief Operating Officer
 Charles Modica, Independent Budget Analyst
 Lisa Jones, President and Chief Executive Officer, San Diego Housing Commission
 Casey Smith, Deputy Chief Operating Officer
 Kristina Peralta, Deputy Chief Operating Officer
 Christina Bibler, Director, Economic Development Department
 Sarah Jarman, Director, Homelessness Strategies & Solutions Department