

## The city of san diego $oldsymbol{G}$ Loria

MAYOR



October 8, 2024

Pacific Beach Taylor Library c/o Marcella Bothwell, Chair Pacific Beach Planning Group 4275 Cass Street San Diego, CA 92109

RE: Project Vela - 970 Turquoise Street (PRJ-1121764)

Dear Chair Bothwell,

Thank you for discussing this project at this month's Pacific Beach Planning Group (PBPG) meeting. We are writing to express our deep concerns with the project, particularly its extreme application of State Density Bonus Law, which is intended to provide incentives to build affordable housing. This application of the density bonus does not appear to meet the spirit of affordable housing law.

On August 20, 2024, the City of San Diego's Development Services Department (DSD) received a building permit application for this mixed-use project utilizing State Density Bonus Law. The project's residential component includes a total of 74 units, only 10 of which are income-restricted affordable units for very low- and moderate-income households. The project uses an incentive to receive an additional Floor Area Ratio (FAR) bonus to create 139 visitor accommodation units, which are permitted as commercial uses typically operating as a hotel.

On September 16, 2024, the City of San Diego submitted a technical assistance request to the California Department of Housing & Community Development (HCD) to assess whether this project complies with all applicable regulations in State Density Bonus Law. Furthermore, the City remains in close communication with HCD and community leaders in an effort to meet the needs of Pacific Beach residents.

Pro-housing cities such as San Diego have gone above and beyond to address the affordable housing crisis. We have long been advocates for creating more affordable

homes for San Diegans of all incomes; however, this project does not align with State or City policies intended to build more affordable homes. In fact, as proposed, this project would mostly function as a hotel and will not help address the affordable housing crisis in San Diego's coastal communities.

We must not allow pro-housing policies to be usurped for purposes that do not meet a public benefit or respond to the State's housing affordability crisis. We plan to work with our state representatives to address this loophole in State Density Bonus Law and plan to sponsor amendments for consideration in the next State legislative cycle. We will share updates on this effort as more information becomes available.

Thank you again for the opportunity to share our concerns about this project with you. We appreciate your openness to the discussion and will keep PBPG apprised of any updates we receive from HCD and the project applicant as we continue to review the submission.

Sincerely,

TODD GLORIA

Mayor

City of San Diego

JOE LACAVA

Council President Pro Tem, District 1

City of San Diego