




**COUNCILMEMBER CHRISTOPHER WARD
THIRD COUNCIL DISTRICT**

M E M O R A N D U M

DATE: April 12, 2019

TO: Mayor Kevin Faulconer
Councilmember Vivian Moreno, Chair, Land Use & Housing Committee

FROM: Councilmember Chris Ward 

SUBJECT: Prioritizing City Owned Lands for Housing Development

Last year, as Chair of the Select Committee on Homelessness, I requested a comprehensive review of City properties suitable for housing development. The City's Real Estate Assets Department (READ) gave a presentation to the Committee in October 2018 identifying 22 properties across the city that could support housing development. The report also included an additional 75 non-standard, "challenging" properties.

Following up on this presentation, I am writing to urge action on developing these properties. We must make better use of the City's assets to spur affordable housing development. Specifically, I request that you direct READ to (a) update Council Policy 700-10, Disposition of City-Owned Real Property, to specify housing development as an authorized and priority use of City-owned lands, and (b) draft a Request for Proposals (RFP) for the development of 20 properties identified at READ's selection. In recent conversations with READ staff, I am encouraged to hear they have already been working to update Council Policy 700-10. Adding an RFP component to this update would help turn reports into progress and develop these properties to provide new housing for San Diegans.

The time to act is now. Other public agencies have crafted policies to develop public land for affordable housing. The County of San Diego dedicated \$25 million towards the development of housing on seven County-owned properties and 503 new units are now in the pipeline. Similarly, the Metropolitan Transit System (MTS) adopted implementation procedures for a Joint Development Program to encourage public/ private partnership development of real estate, including affordable housing, on MTS owned property. As recently as this week, the State of California announced it is looking at State owned properties – including properties in San Diego – for the development of affordable housing.

These efforts from public agencies are complemented by state legislation adopted in recent years, like AB 2372, which allow for additional flexibility in building heights and density and equate to greater housing opportunities.

My office has recently received emails from READ for no fewer than 20 properties to determine if the properties are needed to be held for a municipal purpose - in essence, beginning the process to release these properties for sale. These properties are in addition to the 22 potential non-standard properties mentioned above, and are additional opportunity sites for evaluation. Even as the sale of these properties can bring revenues to the city, the individual inquiries and potential sales do not represent a comprehensive strategy. An update to Council Policy 700-10 and a drafted RFP process could create this comprehensive strategy and yield much needed affordable housing for the city.

The models of the County, MTS and the State as well as the availability of at least 20 properties suitable for housing development should spur the city to take action.

I request that READ draft an RFP for no fewer than 20 properties to present to the LU&H Committee in June 2019. I respectfully request that in addition to the RFP, staff bring forward an update of Council Policy 700-10, last updated in 2012. I also request that staff include an analysis of the development benefits afforded by state legislation such as AB 2372 to include more density on City-owned sites.

CC:

Kevin Smith, Committee Consultant, Land Use & Housing Committee

Mike Hansen, Director, Planning Department

Cybele Thompson, Director, Real Estate Assets Department