



COUNCILMEMBER CHRISTOPHER WARD

M E M O R A N D U M

DATE: November 26, 2018

TO: Mayor Kevin L. Faulconer

FROM: Councilmember Christopher Ward
District 3

SUBJECT: Response to Memorandum Regarding Citywide Permanent Supportive Housing Opportunities

This memorandum is in response to your November 14 memo requesting each of the nine City Council offices provide to you two suggested locations for Permanent Supportive Housing (PSH) within their respective district for evaluation. I appreciate your commitment to backing Council's leadership through our resolution and partner with us to meet substantive housing goals. Council's resolution specifically set the goal for per-district production of 140 Permanent Supportive Housing units, a more intensive model of Affordable Housing to meet higher needs of those defined as chronically homeless. I look forward to your strong advocacy of sites identified by each of the nine council offices and staff support to implement direction and develop new units.

I am happy to recommend the following locations in the Third Council District for the development of permanent supportive housing, several of which I have recommended to you in the past. I have attached memoranda and reports produced through my office and the Council's Select Committee on Homelessness which may be helpful to this critical effort to produce sufficient PSH and provide a noticeable positive impact on our ongoing homelessness crisis.

Proposed Key Locations

As I have suggested in memorandums to your office in March 2017, July 2017, and September 2017, there are multiple city-owned or nuisance properties in Council District Three which could be used to address our homeless and housing crisis. These sites not only could support interim shelters and temporary measures, they may be also suitable to permanent housing.

- 20th & B Central Operations Property – Golden Hill (July 2017 and September 2017 Memorandums)
 - 20th & B is a City-owned lot used for city-related operations, services, and vehicle storage. In 2017, a portion of the property was used for a safe campground to shelter homeless families and adults. The portion of the lot facing B street is an approximately 7-acre parcel designated for residential medium/high development per the adopted community plan.
- Motel Conversions – Old Town (March 2017 Memorandum)
 - Prospective developers have identified interested and willing sellers of motel properties in the Old Town neighborhood that could be converted to PSH. Though prior efforts by private interests have not resulted in housing production, the cost-effective potential should remain a viable option and could bring units online quickly.

Alternative or Additional Locations

We must make better use of our city assets to spur PSH development. Parcels may be surplus, undesirable or underutilized, as well as vacant, abandoned, and tax-delinquent private properties to be acquired through purchase of tax foreclosure.

In a January 8, 2018 memorandum I requested a comprehensive review of City properties that could be used for affordable housing production. Nine months later, in October 2018, the Select Committee on Homelessness received a presentation from the Real Estate Assets Department (READ) that suggested eight parcels across the city that could support affordable housing development. The report also included an additional 22 non-standard properties. Following a presentation on innovative housing models at the November 2018 Select Committee on Homelessness, I am confident these non-standard properties could accommodate various housing types, including those with supportive services. The final READ report is included in this response.

City-owned sites in District Three which are near homeless support services and transit that should be explored for PSH include:

- 820 E Street (Old Central Library). Recently determined to be suitable for more than 300 units.
- 1222 First Avenue (City Operations Building). While occupation of the city building at 101 Ash has been delayed to Fall 2019, the additional capacity should allow for eventual redevelopment of the City Operations Building site for a mix of uses. With no more delays, an RFP could be issued immediately.
- 1401 Imperial Avenue (Future Housing Navigation Center). Currently approved for a short-term contract to provide services already available at multiple locations in the immediately surrounding area.
- 925 W. Washington Street (Mission Hills Branch Library). Will become vacant January 2019 upon the completion and opening of the new Mission Hills-Hillcrest Branch Library. Currently being reviewed by READ and community organizations for best future uses and if redeveloped for housing could accommodate a percentage of PSH units onsite.

- 3960 Normal Street (Hillcrest DMV). After community review and concerns raised about the proposed design of a new DMV facility, I have proposed a potential land-swap or redevelopment of the site, of which housing and a level of onsite PSH should be included.
- 4100 Normal Street (San Diego Unified School District Education Center). SDUSD has been actively pursuing a new headquarters and potential redevelopment of the education center. Any proposal could include housing and should provide a level of PSH.
- Fremont Elementary School (Old Town). As part of the above action, SDUSD has also shown interest in sale and redevelopment of these parcels, currently upzoned to medium/high density residential.

Further, a number of development opportunities exist on privately owned parcels throughout the district. I draw particular attention to opportunity sites along El Cajon Boulevard and University Avenue through North Park which, through a creative partnership like the North Park Seniors development at Texas & Howard, can take advantage of recent upzoned designations.

Inclusionary Housing Ordinance Update

We must require that all proposed development projects build affordable units onsite through an update to our Inclusionary Housing Ordinance. Through a requirement that affordable units are built into market-rate projects, we can provide a significant number of housing opportunities for San Diegans in neighborhoods throughout the city.

Storage Unit Expansion in Other Neighborhoods

Additionally, a June 4, 2018 report from the Office of the Independent Budget Analyst compiling locations throughout the city for additional homeless storage facilities is attached. In light of the current storage facility at 20th and Commercial reaching full capacity and reverting the city to a 72-hour-notice standard, I look forward to understanding what six months of review has discovered and explore these opportunities for additional storage locations to honor our commitments to the Sherman Heights Neighborhood.

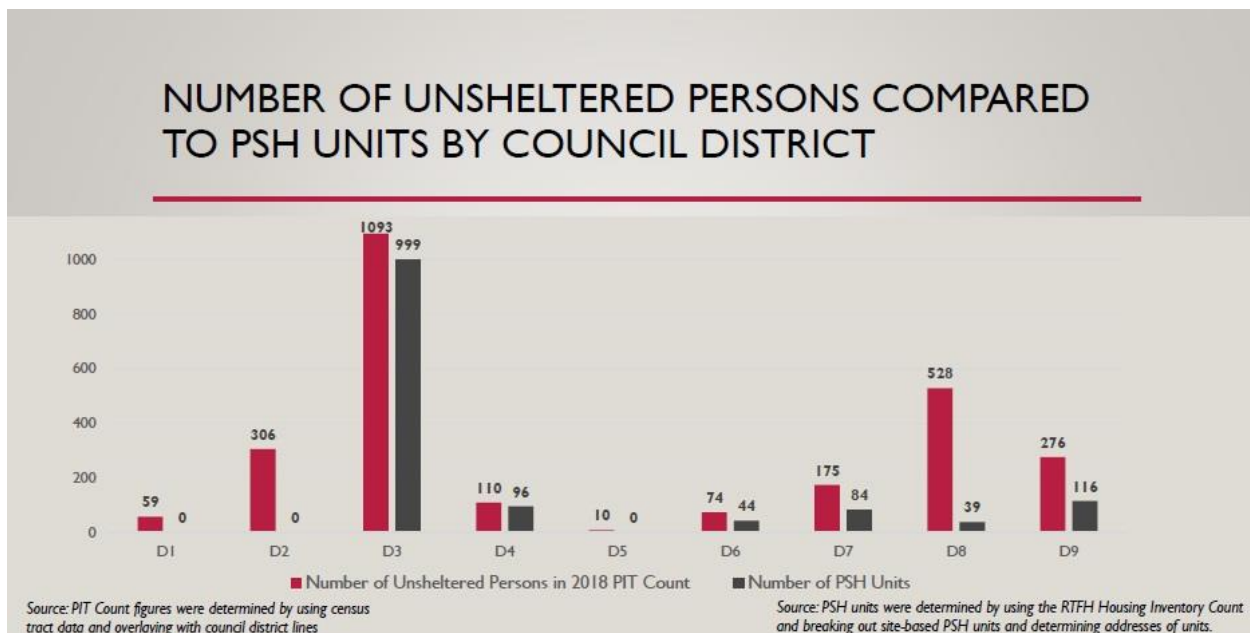
Permanent Supportive Housing Projects in the Pipeline

Many development projects in District Three, either proposed or under construction, include affordable units with varying levels of affordability. The following is a non-exhaustive list of current projects in District Three that will have permanent supportive units onsite.

Project	Affordable	Designated PSH	Location	Address	Status	Developer
The Beacon	43	43	East Village	14 th & C	Construction	Wakeland Housing
14 th & Commercial	444	270	East Village	14 th & Commercial	Planning	SVDP Management

17 th & G	86	86	East Village	17 th & G	Planning	Affirmed Housing
13 th & Broadway	271	133	East Village	13 th & Broadway	Planning	Chelsea Investment
The Nook	90	8	East Village	15 th & K	Construction	Trestle Development
	934	540				

Council District Three is also home to many San Diegans living in existing PSH units. As reported at the City Council hearing on October 23rd, 2018, and displayed below, PSH units exist in six of the nine city council districts, with 72% of all PSH in Council District Three.



The majority of these 999 PSH units are supported by housing vouchers committed by the San Diego Housing Commission. A non-exhaustive list of these Council District Three developments with PSH units onsite is attached to this memo.

Expedited Permitting and Fee Review for PSH

These incentives should be enhanced by the recent passage of AB 2162 which allows for expedited permitting of PSH. In October 2018, the Select Committee on Homelessness received a presentation on the parameters of AB 2162 and the opportunities afforded to the City. I was informed during the Committee discussion that your office was reviewing the law and preparing for on-time implementation. I look forward to working with you and our development partners to see these expedited approvals used as soon as possible.

For further meaningful opportunities to make progress on expanding our homelessness programming and services, I have also attached the final list of recommendations from the Council's Select Committee on Homelessness.

cc: Aimee Faucett, Chief of Staff
Kris Michell, Chief Operating Officer
Andrea Tevlin, Independent Budget Analyst
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