



COUNCIL PRESIDENT PRO TEM KENT LEE

City of San Diego

Sixth District

MEMORANDUM

DATE: February 4, 2025

TO: Honorable Members of the Land Use and Housing Committee

FROM: Council President Pro Tem Kent Lee, Chair, Land Use and Housing Committee

SUBJECT: 2025 Land Use and Housing Committee Work Plan

It is an honor to continue serving as Chair of the Land Use and Housing Committee (LU&H). I remain committed to working closely with my Council colleagues, the Mayor, the Office of the Independent Budget Analyst (IBA), the San Diego Housing Commission (SDHC), City staff, and members of the public to address the needs of our residents and build vibrant and resilient communities in San Diego.

The increasing cost of both renting and owning a home continues to outpace wage increases, making San Diego one of the least affordable places to live in the nation. The high cost of housing presents a crisis for many residents who strain to pay a significant proportion of their income in order to keep a roof over their heads. It also intersects with other major challenges the city faces such as homelessness, mitigating the climate crisis, and ensuring local businesses can thrive in San Diego.

According to the City's [2024 Annual Report on Homes](#), in 2023, the city permitted almost 9,700 new homes, over a quarter of which were deed-restricted as affordable for very-low, low, and moderate income. In comparison, in 2022, the city permitted just 5,314 new homes. While the City has made progress towards Regional Housing Needs Assessment (RHNA) goals, we still need to permit 82,343 more homes to meet the RHNA allocation by 2029, majority of which must be allocated to very low-, low-, and moderate-income levels for our working families.

As we continue to explore efforts to improve the quality of life for all residents, this Committee and our region's leaders recognize that one of the most effective strategies to achieving this is to create more housing that everyone can afford.

The following goals and strategic priorities convey the purpose, direction, and underlying values guiding the work of the 2025 Land Use and Housing Committee. The work plan as prepared is not exhaustive or binding, and I welcome continued input from the committee and public as housing market conditions change throughout the year.

Committee Scope and Priorities

The Land Use and Housing Committee's area of responsibility include Permanent Supportive Housing, Homeless Services, Affordable Housing, Real Estate & Airport Management, Planning, Land Use, Land Development Code, General Plan, Community Plans, Coastal Overlay Zone, and Historical Issues/Mills Act.

I thank my committee colleagues for submitting their annual priorities as part of the development of the 2025 LU&H Work Plan. As described in each of my colleagues' memos, below are priorities of the LU&H committee that may be pursued this year:

Creating Affordable and Middle-Income Housing Opportunities

- Promote funding and policy strategies that promote the production of Affordable and Middle-Income Housing Opportunities within all communities of the City.
- Review all community plan updates in process for updated timelines to ensure these plans are adopted in a timely manner. These updates are necessary for the production of transient oriented development and mixed-income level housing. As well as supporting the success of the City's Strategic Plan Goals including creating jobs, improving infrastructure, advancing mobility options, and supporting our Climate Action Plan goals.
- Receive the Annual Report on Homes Update, including our annual housing goals, the production of deed-restricted and market-rate "moderate income" housing, and subsidies required by "inclusive" deed-restricted units versus "off-site" units.
- Receive an update on the City's Affordable Home Development Master Plan, which aims to use City-owned property to develop homes near transit and amenities.
- Receive an update on strategies listed in October 2022's Resolution of the Council of the City of San Diego and the Board of Supervisors to Formally Express their Intent to Take Joint Action to Increase the Availability of Affordable Housing in our Region Consistent with their Respective Authority², which includes a commitment to building 10,000 affordable homes on government-owned land, and maximizing the use of public lands and properties in partnership with other local agencies and municipalities.¹
- Request an informational item from the Planning Department on the upcoming Small-Scale Neighborhood Homes Initiative.

¹Resolution Number 22-145, Joint Resolution of the Council and the City of San Diego and the Board of Supervisors to Formally Express their Intent to Take Joint Action to Increase the Availability of Affordable Housing in our Region Consistent with their Respective Authority. October 3, 2022.

<https://file.sandiegocounty.gov/COB/COBPublicView?id=0901127e80f2460d>

- Monitor the construction of ADUs, JADUs and tiny homes and assess the effectiveness of City incentives to build this type of housing. This includes receiving and update and exploring strategies to allocate funding to expand the SDHC's Accessory Dwelling Unit Finance Program.
- Consider the implementation of new state laws, such as AB 1033 (ADU Condominium Law).
- Explore the use of underutilized commercial properties for middle-income and affordable housing production.
- Seek opportunities for co-locating or affordable housing projects to be built above existing public facilities.
- Receive an update from the SDHC, the Mayor's Government Affairs team, and other relevant departments on potential federal, state, and local grants. As well as legislation the city could pursue to increase housing and homelessness funding and programs. This includes but is not limited to:
 - Receiving reports on grant funding opportunities, grants received, grant applications denied, to better understand funds the City's receiving as compared to similar sized municipalities, and how we can be more competitive in future applications.
 - Seeking and establishing partnerships for housing financing strategies through tax credit allocations, incentive programs, bond opportunities, leveraging private-public philanthropic dollars, or developing a local middle-income housing fund.
 - Continuing to identify innovative strategies for SDHC to support affordable housing production as a lender, Multifamily Housing Revenue Bond issuer, affordable housing property owner, administrator of City of San Diego land use programs, and monitor of compliance with affordability requirements.
 - Receiving an update on the progress made in implementing any City Auditor recommendations pertaining to obtaining housing related grant funding that may result from an upcoming performance audit of the Department of Finance and Department of Government Affairs regarding grants.
- Receive updates from SDHC and the Economic Development Department (EDD) on the performance of each affordable housing Notice of Funding Availability (NOFA) issued, awards, and review potential for consolidation of these two separate NOFA programs.
- Receive an update from the SDHC on their real estate portfolio and discuss opportunities for increased densification within that portfolio to produce additional affordable housing.
- Analyze the benefits, barriers, and potential avenues for pursuing various models of public and social housing, including but not limited to generating new revenue sources, exploring mixed income affordable housing development, and other strategies that could be managed by the SDHC.
- Explore strategies to expand the existing Low-Income First Time Homebuyer Program city-wide, specifically increasing participation in communities of concern. This includes incentivizing the development of missing-middle housing types to expand first-time homeownership opportunities.
- Explore strategies, in collaboration with the SDHC, to create a Middle-Income First-Time Homebuyers Program with the use of grant funding.
- Explore adding a for-sale option to the City's Complete Community Housing Solutions initiative that includes the development of both market rate and deed-restricted affordable homes for sale.

- Along with feedback from the public, interested parties, and City Planning, consider how the prohibition of drive-throughs in Sustainable Development Areas may or may not encourage the development of housing and walkable neighborhoods.
- Receive an update on senior housing and the potential to increase this type of housing through programs such as County's shallow rent subsidy program, AARP, and assessing the implementation of the *Age Friendly San Diego Working Action Plan* to identify gaps and encourage community amenities that support aging in place.²
- Receive updates from the Office of the IBA, Development Services Department (DSD), City Planning, and other relevant City departments on *IBA Report 22-30* to further Council's understanding of current and in-progress strategies to increase housing affordability.³
- Pursue reforms from the *Informational Presentation on Strategies for Affordable and Sustainable Housing*, presented by the Livable Communities Initiative, focusing on building code updates, adaptive reuse solutions, and streamlining infill development.⁴

Affordable Housing Preservation

- Review and consider ways to preserve existing Single Room Occupancy.
- Continue advancing the policies outlined in SDHC's 2020 study, *Preserving Affordable Housing in the City of San Diego*. This includes requesting annual updates on the city's efforts to preserve existing affordable homes. As well as exploring funding opportunities for the preservation of naturally occurring affordable housing outlined in the Affordable Housing Preservation Ordinance.
- Evaluate and Review Inventory of Existing Affordable Housing Units to determine if leases can be extended to preserve the affordability restrictions in place.
- Explore developing incentives for owners of unrestricted properties in exchange for affordability restrictions.
- Support strategies the SDHC has identified to maintain the physical infrastructure of the more than 4,300 units within the SDHC real estate portfolio to ensure the housing stock continues to provide safe, high-quality housing for SDHC's residents and to identify opportunities to inform capital improvement and replacement projects.
- Request a presentation from the City Attorney's Office on their work to develop new initiatives that preserve, protect, strengthen, and enforce housing policies.

Tenant Protections and Eviction Prevention

- Discuss potential opportunities to amend the Tenant Protection Ordinance that could prohibit licensing for Short-Term Residential Occupancy housing where an eviction has previously occurred in an effort to decrease evictions within the city.

² Age Friendly San Diego Action Plan, September 14, 2021.

https://www.sandiego.gov/sites/default/files/sdagefriendlyplan-1-54-print-compressed_2.pdf

³ City of San Diego Independent Budget Analyst, Response to Request for Analysis on Improving Housing Affordability, Report 22-30, November 4, 2022. https://www.sandiego.gov/sites/default/files/22-30_response_to_request_for_analysis_on_improving_housing_affordability.pdf

⁴ Informational Presentation on Strategies for Affordable and Sustainable Housing, presented to Land Use and Housing Committee, July 11, 2024.

- Explore creating a rent registry that would track all rental units in the city, actual monthly rent amounts, whether they are vacant or occupied, and document low-income housing by community.
- Discuss ways to reduce avoidable additional cost that currently burden renters such as requiring landlords to accept a reusable or portable tenant screening report so that prospective tenants aren't required to pay a new fee for a credit report each time they apply to rent a home.
- Receive an update from the SDHC on the Eviction Prevention Program.
- Work with the SDHC to understand the feasibility of developing and implementing a Tenant Termination Notice Registry. This could be an online portal to collect landlord termination notices which is critical in understanding the needs of residents who are facing eviction and housing insecurity.
- Explore opportunities for tenant homeownership when a development receives city or SDHC funding via a NOFA, or other funding sources. This could be established through the creation of a Tenant Opportunity to Purchase policy.
- In tandem with opportunities for tenant homeownership, this committee can work with SDHC to consider opportunities to provide local residents with preference when affordable housing developments funded by SDHC funding via a NOFA, or other funding sources are made available upon completion of a project.

Homelessness Prevention and Reduction

- Continue to support the City's Community Action Plan on Homelessness.
- Explore strategies to reducing regulatory barriers and enhance flexibility toward the creation and permitting of emergency housing interventions.
- Prioritize policies preventing homelessness and supporting permanent or longer-term housing solutions.
- Explore possible revisions to the Land Development Code or other mechanisms to facilitate the creation or expansion of behavioral health facilities.
- Receive regular updates from SDHC, HSSD, the Mayor's office, the Regional Task Force on Homelessness (RTFH), and service providers (as applicable) on homelessness data and coordination efforts, including but not limited to:
 - o Receiving an update on and work with City staff on how we can provide additional funding for the Housing Instability Prevention Program (HIPP).
 - o Receiving an update the Comprehensive Shelter Strategy - beds being utilized, individuals contacted through city outreach, the use of safe camping and safe parking sites, update on regional HomeKey+ update, implementation of Proposition 1/Behavioral Health Services Act programming and services, and any other relevant information. This could include collaborating with regional partners, including the County of San Diego, to expand recuperative care and behavioral health beds in the city.⁵

⁵ UC San Diego Department of Urban Studies and Planning, The Homelessness Hub. After the Exit: Reporting on Year Three of the Evaluation of Jewish Family Service of San Diego's Safe Parking Program, June 2023. https://homelessnesshub.ucsd.edu/_files/Three-Year-Report-JFS-FINAL-2.pdf

- o Review policies and redevelopment opportunities, that would increase the number of Permanent Supportive Housing units.

Address Structural Barriers and Processes

- Review recommendations on reducing programmatic, regulatory, and other barriers which delay or deny housing access.
- Receive DSD updates including (but not limited to) permitting and submittal processing times and results of the mayor's executive orders related to processing affordable housing and Complete Communities projects within 30 days. Consider ways to further expedite the permitting process, especially for middle-income housing.
- Work in partnership with DSD, the Mayor's office, and key City Officials on ways to better improve staff recruitment and retention. Receiving an update on third-party staffing, while also considering ways to further expand the Professional Certification Program.
- Receive updates from PUD and SDG&E pertaining to residential and commercial permitting and submittal processing times.
- Receive an update on the implementation of the Zero Emissions Municipal Buildings and Operations Policy (ZEMBOP).
- Request that city staff review the complexities of the Land Development Code (LDC), how it may be slowing down the production of middle-income housing, and actions the city can take address it. This could include:
 - o Receive an update on the progress of the City Clerk, City Planning, and DSD to improve accessibility for the City's Land Development Code (LDC) to make it more public user-friendly and to improve customer experience.
 - o Monitor opportunities to implement forthcoming state legislation, including streamlining post-entitlement permitting for residential developments, in the LDC in an effort to increase and streamline affordable housing production.⁶
- Review, identify, and consider short-term, medium-term, and long-term improvements to the historic preservation program and review process in collaboration with the mayor's office and City Planning.
- Request a review by DSD and Fire-Rescue Department regarding any potential modifications to existing city building regulations to ensure future construction in the city meets both the highest fire safety standards and simultaneously does not prevent housing production.

Address Land Use Regulations Related to Childcare

- Review progress on implementing Measure H from the Office of Child and Youth Success and Economic Development Department.
- Receive updates from the Office of Child and Youth Success and childcare providers on barriers to childcare facility expansion among existing providers.
- Review regulations, policies, and funding to remove obstacles to large and home-based childcare facilities. Invite the public and interested parties to present on the challenges and opportunities of incentivizing these facilities on affordable housing developments to
- Collaborate with the appropriate city departments to support the development and expansion of childcare facilities by reducing zoning barriers. This could include identifying

⁶ California Assembly Bill No. 253, 2025-26 Regular Session. (Ward)
https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB253

opportunities to expedite permitting of projects beyond existing programs for 100% affordable development, including incentives for co-location of childcare facilities in affordable housing projects that include robust labor standards.

Utilizing City Land:

- Discuss, with appropriate departments, existing policies and potential opportunities for quick build activations, such as installing playgrounds on City-owned assets, or undeveloped parcels.
- Review models for revitalizing storefronts and supporting our local small businesses, such as Escondido's vacant commercial building fee and San Francisco's Vacant to Vibrant program.
- Re-examine leases on City land in an effort to maximize lease revenues to help mitigate our structural budget deficit.

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