(R-2011-48)

RESOLUTION NUMBER R- 306008

DATE OF FINAL PASSAGE JUL 22 2010

A RESOLUTION AUTHORIZING THE PROPOSED RECONSTRUCTION OF SINGLE ROOM OCCUPANCY (SRO) UNITS AND THE RESULTING REDUCTION FROM TWENTY-SEVEN TOTAL SRO UNITS TO SEVENTEEN TOTAL SRO UNITS AT THE MASON HOTEL, 1337-1345 FIFTH AVENUE SAN DIEGO, TO BE EXEMPT FROM THE CITY OF SAN DIEGO'S SRO HOTEL REGULATIONS.

WHEREAS, the Mason Hotel (assessor's parcel 533-453-02) is a single room occupancy hotel, acquired in 2002 by the nonprofit Housing Development Partners of San Diego [HDP], with funding from the San Diego Housing Commission [Housing Commission] and the Redevelopment Agency of the City of San Diego [Agency]; and

WHEREAS, the property has been operated by HDP as rental housing for very-low income tenants; and

WHEREAS, a fire in 2004 caused the building to become vacant and currently is uninhabitable; and

WHEREAS, HDP and Affirmed Housing Group [AFFIRMED] have formed The Mason LP, a California limited partnership, and have developed a plan to reconstruct the Mason Hotel for rental to extremely low-income tenants with mental illness and a history of homelessness or who are at risk of becoming homeless; and

WHEREAS, providing units for rental to extremely low-income tenants with mental illness and a history of homelessness or who are at risk of becoming homeless fulfills a critical local need and will contribute to the public health, safety, and welfare; and

homeless and/or to be exempt under SDMC section 143.0520 (b) because the reconstruction is implementing a redevelopment project since the Mason project has current funding from the Agency; and

WHEREAS, the Housing Commission has referred the developer's request for exemption under the SDMC's SRO Regulations to the Land Use and Housing Committee for recommendation to the full City Council of the City of San Diego because the Housing Commission currently has loan financing on the property and it will be considering a developer proposal for additional loan funding and a potential ownership interest in the property by the Housing Commission; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the proposed reconstruction of SRO units at the Mason Hotel 1337-1345 Fifth Avenue, San Diego, will contribute to the public health, safety, and welfare and such contribution exceeds the negative impact on the supply of SRO hotels and SRO hotel rooms that will result from the reduction of total units at the property from twenty-seven SRO units to sixteen SRO units and a manager's unit; and

BE IT FURTHER RESOLVED, that the proposed reconstruction of SRO units at the Mason Hotel 1337-1345 Fifth Avenue, San Diego, and the resulting reduction from twenty-seven SRO units to seventeen units is hereby determined to be exempt from the City of San Diego's SRO Hotel regulations (including Municipal Code section 143.0540 and 143.0550) pursuant to the exemption allowed under San Diego Municipal Code section 143.0520; and

BE IT FURTHER RESOLVED, that the President and Chief Executive Officer of the San Diego Housing Commission, or his designee, is authorized to take all actions necessary to

WHEREAS, the reconstruction of the Mason Hotel is proposed to utilize funding from multiple lenders including substantial proposed funding from the State of California Mental Health Services Act [MHSA]; and

WHEREAS, the MHSA funding requires certain proposed changes/upgrades to the units/building, including private baths, minimum room sizes and providing elevator accessibility; and

WHEREAS, the proposed changes/upgrades to the units/building result in a decrease of the property's total units from twenty-seven SRO units to seventeen units (including sixteen SRO units and one manager's unit); and

WHEREAS, the San Diego Municipal Code [SDMC] section 143.0510 et seq. (at Article 3: Supplemental Development Regulations, Division 5: SRO Hotel Regulations)

"...applies to any development that proposes the demolition or rehabilitation of all or part of an SRO hotel or SRO hotel rooms to another use, except as provided in Section 143.0520;" and

WHEREAS, the SDMC section 143.0520 (a) (1) allows an exemption from the SRO Hotel Regulations if there is a "conversion of all or part of an SRO hotel or SRO hotel room to a very low income housing project;" and

WHEREAS, SDMC section 143.0530 makes the Housing Commission the agency responsible for administering the SRO Hotel Regulations; and

WHEREAS, HDP and AFFIRMED, on behalf of The Mason L.P., have requested that the Housing Commission determine the Mason Hotel's proposed reconstruction and resulting total units reduction to be exempt under the SDMC's section 143.0520 (a)(1) SRO Regulations because the Mason Hotel reconstruction is being converted to an extremely low-income housing project for tenants with mental illness and a history of homelessness or at risk of becoming

effectuate this Resolution and is authorized to execute any and all documents necessary to grant the exemption from the City of San Diego's SRO Hotel Regulations.

APPROVED: JAN I. GOLDSMITH, City Attorney

By:

Andrea Contreras Dixon Deputy City Attorney

ACD:cw 07/02/10

Or.Dept:San Diego Housing Commission

MMS#12483

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _______ JUL_ 1 9 2010 .

ELIZABETH S. MALAND

City Clerk

Deputy City Clerk

Approved: 7.22.10

(date)

JERRY SANDERS, Mayor

Vetoed: _____

(date)

JERRY SANDERS, Mayor