

RESOLUTION NUMBER R- 312816

DATE OF FINAL PASSAGE JAN 29 2020

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ESTABLISHING THE NECESSITY OF A PROPOSED ISSUANCE OF GENERAL OBLIGATION BONDS TO BE SUBMITTED FOR APPROVAL BY A TWO-THIRDS VOTE OF THE QUALIFIED VOTERS OF THE CITY TO FINANCE THE DEVELOPMENT OF AFFORDABLE HOUSING.

WHEREAS, the Council of the City of San Diego (Council) recognizes the existence of a citywide housing crisis, in which the rising cost of home ownership and the increasing cost of rental units have resulted in a high number of individuals experiencing homelessness within the City of San Diego (City); and

WHEREAS, even though housing for vulnerable populations is being built, the number of units available to these vulnerable populations does not satisfy the demand; and

WHEREAS, the cost of housing in San Diego is twice the average among other metropolitan areas nationally according to the San Diego Regional Economic Development Corporation's 2019 *Inclusive Growth Web Study*; and

WHEREAS, in January 2019, 5,082 persons were identified as homeless in a "point-in-time count" (2019 Count) within the City, including 572 identified as Chronically Homeless individuals according to the San Diego Regional Task Force on the Homeless; and

WHEREAS, the City represents 46 percent of the County of San Diego's (County's) population, but 63 percent of the County's population experiencing homelessness, according to the Corporation for Supportive Housing's *City of San Diego Community Action Plan on Homelessness* (Action Plan); and

WHEREAS, the 2019 Count has shown steady numbers of people experiencing homelessness in the City over the last five years, yet data from the Homeless Management Information System indicates that 68 percent of persons who entered a shelter or temporary housing program in the region in 2017 were identified as being homeless for the first time, according to a September 2019 Policy Brief entitled *Housing Instability in San Diego County* (Policy Brief); and

WHEREAS, more than half of those counted in the 2019 Count were unsheltered (2,600), a significantly higher rate than the national ratio of sheltered people to unsheltered people, according to the Action Plan; and

WHEREAS, the 2019 Count shows that of the persons who are living unsheltered, 572 experience chronic homelessness; and

WHEREAS, the 2019 Count estimated that 795 households experiencing homelessness in the County were members of a family composed of both adults and children experiencing homelessness; and

WHEREAS, the Council declared a Shelter Crisis on November 10, 2010, and a second declaration related to a Hepatitis A outbreak on October 3, 2017, documented in San Diego Resolutions R-305325 and R-311331; and

WHEREAS, the City has adopted numerous policies that emphasize “Housing First” principles to prioritize the provision of housing as an essential prerequisite to ensure success in helping unsheltered individuals seek stability and transition from the streets into housing; and

WHEREAS, in 2017 and 2018, the City opened three bridge shelters and found through programmatic evaluation of operations that the rates of finding permanent housing for the homeless are below initial goals, primarily because of a lack of housing stock according to the

San Diego Temporary Bridge Shelter Evaluation prepared for the San Diego Housing Commission; and

WHEREAS, for surveys conducted with the 2019 Count, most respondents cited rental subsidies as being the most helpful service to assist in finding stable housing; and

WHEREAS, the Council accepted the Action Plan, which lays out an overview of needs for the City's homeless service system, along with recommended solutions and a total estimated cost of \$1,939,144,441 to complete; and

WHEREAS, the most cited barrier in the Action Plan to successfully placing people experiencing homelessness into permanent solutions was the lack of low-income and supportive housing in the market, particularly for people at or below 30 percent of San Diego area median income (AMI); and

WHEREAS, the Action Plan explains that this lack of housing creates pressure in the homeless response system and inhibits the ability of the system to successfully identify and provide permanent housing to people experiencing homelessness; and

WHEREAS, cost burden is the most common housing problem experienced by both renter and owner households, and most of the cost-burdened households are low- or moderate-income (LMI) households, according to the City's *Fiscal Year 2020-2024 Consolidated Plan*, (Consolidated Plan); and

WHEREAS, the Consolidated Plan also states that of all renter households that are cost-burdened, 85 percent are LMI households and, of all owner households that are cost-burdened, 52 percent are LMI households; and

WHEREAS, among individuals who self-identified as housing unstable and called 2-1-1 San Diego seeking housing assistance, 25 percent became homeless within four months of making the call, according to the Policy Brief; and

WHEREAS, the Policy Brief also reports that half of the 27,625 people who called 2-1-1 San Diego seeking a form of housing assistance reported being part of a family, including children under age 18; and

WHEREAS, 28 percent of the City's households have at least one person age 62 or older, and these senior households tend to have lower incomes and experience greater cost burdens with housing, according to the Consolidated Plan; and

WHEREAS, the County has the third-largest veteran population in the United States, according to the Consolidated Plan; and

WHEREAS, veterans account for 13 percent of unsheltered people in the City, and represent 59 percent of the City's persons experiencing chronic homelessness, according to the Action Plan; and

WHEREAS, the City's *2013-2020 Housing Element* (Housing Element) identifies the City's housing needs and quantifies objectives, and the City's policies and programs include providing support to assist the development of affordable or supportive housing for special needs populations, which include individuals and families experiencing homelessness, veterans, seniors, youth, persons with disabilities and lower-income families with children; and

WHEREAS, of the housing production needs identified in the Housing Element, the City has constructed only 10.2 percent of the units identified for very low-income level persons and only 15.7 percent of the units identified for low income level persons; and

WHEREAS the *2018 Housing Inventory Annual Report* found San Diego had 0.38 housing units per person compared to other cities such as Denver, Colorado and Seattle, Washington, with 0.45 and 0.48, respectively, thereby providing fewer housing choices per person, according to the Action Plan; and

WHEREAS, the Action Plan cites the need for 5,400 new units of supportive housing, low-income housing, or rapid short-term rental assistance and services over 10 years and 767 diversion resources per year; and

WHEREAS, by accepting the Action Plan, the Council has adopted three goals related to homelessness: to decrease unsheltered homelessness by 50 percent, end veteran homelessness, and prevent and end youth homelessness as outlined in the San Diego County Coordinated Community Plan to End Youth Homelessness; and

WHEREAS, the Action Plan recommends that 60 percent of the new supportive housing units and 80 percent of the rapid rehousing and low-income housing units come online in the first four years of the plan; and

WHEREAS, the Action Plan estimates that 90 percent of those who identify as chronically homeless in the 2019 Count need supportive housing, which is affordable housing with supportive services, to end their homelessness; and

WHEREAS, the Action Plan states that the City and County have only 119 shelter beds per 100,000 residents, falling to 17th nationwide, with comparable California regions such as San Francisco (971 beds per 100,000) and Long Beach (353 beds per 100,000) showing the need for additional resources; and

WHEREAS, the Action Plan cites an increase in the production of permanent housing solutions as one of the five key strategies to resolving homelessness in San Diego; and

WHEREAS, the San Diego Housing Commission (Housing Commission) maintains and allocates funding for affordable housing through local and federal resources, including HOME Investment Partnerships Program funds that the U.S. Department of Housing and Urban Development awards to the City and the Housing Commission administers, and the City's Affordable Housing Fund, which the Housing Commission also administers and which in Fiscal

Year 2019 leveraged approximately \$5 in additional funding for every \$1 from the Affordable Housing Fund, according to the Fiscal Year 2019 City Affordable Housing Fund Annual Report; and

WHEREAS, with increased local funding, the Housing Commission can assist private developers of affordable housing to meet the critical needs of San Diegans experiencing homelessness, including veterans, seniors, youth, persons with disabilities, and lower-income families with children, by leveraging state housing funds; and

WHEREAS, given limited resources and other priority endeavors in the City to ensure public safety, infrastructure improvements and a growing economy, additional funding for housing is needed to achieve the goals in the Action Plan; and

WHEREAS, the Council finds that the issuance of general obligation bonds is the most cost-effective way to raise funds to acquire and construct permanent supportive and affordable housing for vulnerable populations such as those described above; and

WHEREAS, in order for the City to issue general obligation bonds for this purpose, it is necessary to prepare an ordinance submitting a ballot measure to incur general obligation bonded indebtedness to the qualified voters of the City; and

WHEREAS, the City is authorized to issue general obligation bonds to finance municipal improvements in accordance with the City Charter and pursuant to certain provisions of the California Government Code, including Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4 and including Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 (collectively, the Bond Law); and

WHEREAS, the California Government Code and the City Charter authorize the City to purchase, lease, receive, hold, and enjoy real and personal property, and control and dispose of property for the common benefit and as necessary or proper for municipal purposes, including

without limitation for affordable housing purposes under terms and conditions the City deems best suited to the provision of affordable housing pursuant to applicable laws; and

WHEREAS, real property of the City, in accordance with the City's best interests, may be used to provide permanent supportive housing for San Diegans experiencing homelessness and housing affordable to veterans, seniors, youth, persons with disabilities, and lower-income families as defined either in this Resolution, by Section 50079.3 of the California Health and Safety Code or by the United States Department of Housing and Urban Development; and

WHEREAS, financing permanent supportive housing, affordable housing, and other facilities at which supportive services may be provided (Affordable Housing), which may be owned by the City, other public entities, nonprofit or private entities, serves a public purpose; and

WHEREAS, the City desires to cause the acquisition, construction, or completion of Affordable Housing in order to improve public safety, reduce homelessness, and for other valid public purposes related to the provision of Affordable Housing constituting municipal improvements within the City, to the full extent permitted by applicable law; and

WHEREAS, the City will seek to leverage its resources to attract both private funding and matching funds from both state and federal sources to provide additional resources for such Affordable Housing; and

WHEREAS, the Council thus expresses its intention to submit a bond measure to the qualified voters of the City at the November 3, 2020 Municipal Special Election for the purpose of authorizing general obligation bonds to be spent on increasing the availability of Affordable Housing within the City; and

WHEREAS, in order to initiate proceedings under the Bond Law to provide for the acquisition and improvement of real property to construct Affordable Housing, the Council must make certain findings and determinations; and

WHEREAS, pursuant to the Bond Law, a two-thirds vote of the Council will be required to pass the Ordinance submitting the bond measure to the qualified voters of the City at the November 3, 2020 Municipal Special Election; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City, as follows:

Section 1. The Council hereby finds and determines that the statements set forth above in the recitals to this Resolution are true and correct.

Section 2. The public interest or necessity demand the acquisition, construction or improvement of (a) Affordable Housing to provide extremely low-income, very low-income or low-income individuals, seniors, youth, veterans, and families who are homeless, chronically homeless or at risk of homelessness with shelter, which includes facilities from which assistance and services, such as mental health treatment, health care, drug and alcohol treatment education and job training, may be provided and (b) infrastructure and landscaping, including utilities, sidewalks, and streets that are directly related to and necessary for the acquisition, construction or improvement of the Affordable Housing.

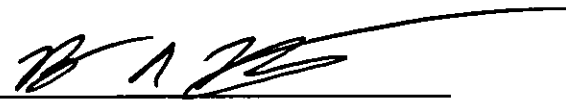
Section 3. The City Clerk's Office is hereby requested to present to the Council the necessary resolutions and ordinance that, upon adoption, would submit a ballot measure to incur general obligation bonded indebtedness in the maximum aggregate principal amount, and for the purposes set forth above, to the qualified voters of the City at the November 3, 2020 Municipal Special Election.

Section 4. This action by the City Council, making findings for initiation of a future bond measure to be considered at a later date, is not a "project" for purposes of the California

Environmental Quality Act (CEQA) in accordance with CEQA Guidelines section 15378(b)(5), as this is an administrative action involving no commitment to any specific projects at any specific location, and will not result in a direct or indirect physical change in the environment. Any future bond measure, and further, any affordable housing projects funded by such bond proceeds, will require its own environmental review.

Section 5. This resolution shall take effect immediately upon its adoption.


APPROVED: MARA W. ELLIOTT, City Attorney

By 
Bret A. Bartolotta
Deputy City Attorney

BAB:jdf
12/18/2019
Or.Dept: Council District 3
Doc. No.: 2210816

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of 1/14/2020.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: _____
(date)

KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

(Note: This resolution was returned unsigned by the Mayor's Office to the Office of the City Clerk on January 29, 2020. Pursuant to the San Diego Charter Section 295(a)(2), the Mayor has 10 business days from the date the resolution was transmitted to sign or veto the resolution, said deadline being close of business on January 29, 2020. Therefore the date of expiration of that time shall be deemed the date of its final passage.)

Passed by the Council of The City of San Diego on JAN 14 2020, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gómez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JAN 29 2020

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By Stacy Brady Deputy

Office of the City Clerk, San Diego, California
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