

RESOLUTION NUMBER R- 316851

DATE OF FINAL PASSAGE JUN 30 2026

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR, OR DESIGNEE, TO ENTER AN AGREEMENT BETWEEN THE CITY OF SAN DIEGO AND THE SAN DIEGO HOUSING COMMISSION TO TRANSFER NEIGHBORHOOD ENHANCEMENT FUND FEES TO THE SAN DIEGO HOUSING COMMISSION TO SUPPORT THE AFFORDABLE HOUSING PRESERVATION FUND AND RELATED ACTIONS.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. The City of San Diego (City) implements the Complete Communities Housing Solutions Program by reviewing development applications, issuing permits, and collecting fees pursuant to the San Diego Municipal Code (SDMC) and any relevant resolutions.

B. The City developed the Complete Communities Housing Solutions Regulations to increase affordable and market-rate housing citywide and implement the General Plan City of Villages strategy and the Climate Action Plan (CAP). The Complete Communities Housing Solutions Regulations is an opt-in, incentive-based program to assist the City in meeting its goals for the affordable housing Regional Housing Needs Allocation and the CAP by incentivizing the construction of affordable and market rate housing in multi-family and mixed use commercial areas served by transit, while investing in neighborhood amenities such as recreational opportunities, linear parks, urban plazas, cultural amenities, and promenades.

C. For a development to be eligible to receive the benefits under the Complete Communities Housing Solutions Regulations, applicants must comply with the regulations set forth in Chapter 14, Article 3, Division 10 of the SDMC. The regulations, as implemented through San Diego Resolution R-313282 (Nov. 17, 2020) and San Diego Resolution R-315291

(Dec. 22, 2023), among other things, include a requirement to pay a Neighborhood Enhancement In Lieu Fee (NEF) of \$10.36 per square foot of lot area, or \$12.68 per square foot of lot area for projects over 95 feet in height, plus automatic annual increases in accordance with SDMC section 142.0640(b), or construct on-site public amenities in the form of a public space on a premises of at least 25,000 square feet. NEFs are paid into an interest-bearing fund established by the City's Chief Financial Officer (CFO).

D. Through the implementing resolutions, Resolution R-313282 and Resolution R-315291, the Council authorized the CFO to expend at least 50 percent of the NEF funds received on affordable housing preservation activities.

E. On June 23, 2025, the Council approved the City's Fiscal Year (FY) 2026 Budget through San Diego Resolution R-316263 (June 23, 2025), which included a non-general fund expenditure and resource modification of \$5,000,000 from the NEF fund for an affordable housing preservation fund.

F. On September 4, 2025, the Council's Land Use and Housing Committee (Committee) approved next steps to establish an affordable housing preservation fund, including, among other things, directing the SDHC to establish an affordable preservation fund to enable SDHC, its nonprofit affiliate Housing Development Partners (HDP), or other entity created or sponsored by SDHC or HDP to acquire and preserve both deed-restricted and naturally occurring affordable housing to serve and be affordable to households with a mix of incomes from 30 percent of San Diego's area median income (AMI) to 150 percent of AMI and to place affordable housing covenants on the properties to maintain their affordability in perpetuity. Pursuant to Council's approval of the City's FY 2026 Budget, the Committee also directed

SDHC to work with City staff to transfer approximately \$5,000,000 from the City's NEF fund to SDHC to administer an affordable housing preservation fund.

G. The amount of the NEF funds available to be transferred increased by \$3,500,000 due to the collection of additional fees after the adoption of the City's FY 2026 Budget. Presently, there is \$8,500,000 in NEF funds available to be transferred to the SDHC for an affordable housing preservation fund.

H. Now, the City desires to enter an Agreement with the SDHC to transfer SDHC \$8,500,000 in NEF funds to support SDHC's Affordable Housing Preservation Fund, pursuant to the terms and conditions of the Agreement.

I. On JUN 29 2026, through Housing Authority Resolution HA-2026-6, the Housing Authority of the City of San Diego (Housing Authority) authorized the SDHC to establish and administer the Affordable Housing Preservation Fund, and approved an amendment to the SDHC's FY 2026 Budget to authorize SDHC to accept and expend \$5,913,554 in NEF funds from the City for its Affordable Housing Preservation Fund and future annual transfers of NEF funds subject to the terms and conditions of the Agreement and annual approval of the City's budget.

J. The Office of the City Attorney prepared this Resolution based on the information provided by City staff, including information provided by affected third parties and verified by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

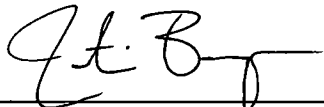
Be it resolved by the Council of the City of San Diego:

1. The Mayor, or designee, is authorized to enter an Agreement between the City of San Diego (City) and the San Diego Housing Commission (SDHC) to transfer City

Neighborhood Enhancement Fund fees to SDHC to support SDHC's Affordable Housing Preservation Fund.

2. The Chief Financial Officer, or designee, is authorized to appropriate and expend an amount not to exceed \$8,500,000 from Fund 40087, Neighborhood Enhancement Fund, for the transfer to the SDHC to support the SDHC's Affordable Housing Preservation Fund.

APPROVED: HEATHER FERBERT, City Attorney

By 
Justin R. Bargar
Deputy City Attorney

JRB:cw
June 25, 2026
Or. Dept: Planning Department
CC No. 103997531
Doc No.: 4465328

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on JUN 29 2026.

DIANA J.S. FUENTES
City Clerk

By 
Deputy City Clerk

Approved: 6/30/26
(date)


TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on June 29, 2026, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<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"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Raul A. Campillo	<input type="checkbox"/>	<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"/>
<input type="checkbox"/> Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 30 2026

(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:

TODD GLORIA
Mayor of The City of San Diego, California.

DIANA J.S. FUENTES
City of San Diego (Seal) ornia.

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By *[Signature]*, Deputy

<p>Office of the City Clerk, San Diego, California</p> <p>Resolution Number R-316851</p>
