

The San Diego  
 **Union-Tribune.**

## S.D.-U.S. public housing ties cut

**More local control, greater choice for tenants seen in break with federal program**

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October 11, 2007

San Diego has cleared the final hurdle in its effort to leave the federal government's public housing program, opening the door for hundreds of current tenants to move into subsidized, privately owned rentals.

The U.S. Department of Housing and Urban Development informed San Diego officials this week that the city will get enough vouchers to help pay the rents of more than 1,350 households living in city-owned public housing.

Those apartment buildings, located in neighborhoods from San Ysidro to Carmel Valley, were built as part of a decades-long federal program to help cities to provide affordable shelter for their poorest residents.

In recent years, however, San Diego has struggled to operate the units as federal funds for the program have sharply declined.

The change means the San Diego Housing Commission will have more control over the city-owned housing and the ability to use its assets to increase the supply of affordable housing for lower-income families and individuals.

And public housing residents will gain more freedom to choose where they live.

The change should occur quickly as tenants are offered the choice within the next month or two of remaining in city-owned units or using vouchers to rent apartments or houses. Private landlords, however, are not required to accept the vouchers, which carry regulations on how much the city will pay toward rent.



NELVIN CEPEDA / Union-Tribune

Cheyenne Bugbee (right) and her daughter Marriah Geiger have lived in their subsidized three-bedroom Carmel Valley apartment for the past six years. Marriah, 14, sifted through her papers yesterday to find a form for her mother to sign.

Although the Housing Commission received word last month from HUD that the public housing would no longer be under federal oversight, there was no guarantee the city would get the subsidy vouchers it needed.

Housing Commission chief Elizabeth Morris, who will retire in January, expects that most of the 4,000 people living in the city complexes will opt to stay where they are while they weigh the pros and cons of moving.

San Diego's housing agency becomes one of only a few in the country that have made the break from federal control. Three other housing authorities have made similar moves. A HUD spokeswoman said requests from two others are under review.

Since applying to HUD to leave the public housing program, the commission has been contacted by many housing authorities seeking advice on how to do the same thing.

"This is a concept we've been working toward for at least three years, but we didn't know if we'd be successful, so we're thrilled that the different departments of HUD agreed with our thinking," Morris said. "I think it's going to be very good for San Diego to exert local control; being able to expand the supply of affordable housing is the ultimate goal."



NELVIN CEPEDA / Union-Tribune  
Cheyenne Bugbee (right) and her daughter Marriah Geiger shared a drink in their Carmel Valley apartment yesterday.

As residents of the public housing units gradually move out, apartments will be freed up for other low-income tenants to rent. The potential exists to eventually double the number of families being served, Morris said.

The commission has decided to offer the units to households with a broader range of income levels, which means it will be able to command higher rents, although still affordable.

While San Diego now receives on average \$450 a month per public housing unit, including the portion of the rent paid by tenants, the city could realize between \$650 and \$1,500 a month, depending on the location, size of the unit, and income level of the renters, Morris said.

Residents who choose to stay, however, would continue to pay 30 percent of their income toward rent.

Single mom Cheyenne Bugbee, a public housing resident in Carmel Valley, said she's excited about the prospect of having a choice of where to live, but she doesn't expect to make a change for a while.

"It is going to really give me more of an option down the line and I like the idea," said Bugbee, 34, who works for an insurance broker in Mission Valley. She pays \$408 a month for a three-bedroom apartment. "My parents live in Spring Valley, and they're getting older, so it would be ideal for me to be more centrally located."

San Diego's departure from conventional public housing coincides with a steady drop-off in federal funding. The housing commission, like similar agencies nationwide, has been getting just 84 percent of the funds needed to operate its public housing complexes.

Although the nation's public housing, once known as "the projects," dates back to the 1930s and 1940s, San Diego came to the program late, opening its first complex in the early 1980s.

San Diego owns all of its complexes free of debt, allowing the city to move toward borrowing against the properties to build or acquire additional affordable housing in partnership with local developers.

As public housing tenants transition into what is known as the Section 8 program, their vouchers will subsidize their rents up to a limit. Maximum rents range from \$1,049 a month for a one-bedroom apartment to \$2,575 for a five-bedroom, although those rates vary by neighborhood. Residents can pay up to 40 percent of their income toward rent, with the Housing Commission subsidizing the balance.

There are 12,400 San Diego households whose rents are subsidized through the Section 8 program.

Public housing residents who choose to move into privately owned housing must remain within the city of San Diego during the first year they have a voucher. After that, they can apply to move elsewhere in the county.

Local public housing managers will be meeting with residents in the next month to explain the changeover and help them sign up for leases under the new rent subsidy system.

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