

County of San Diego

DEPARTMENT OF GENERAL SERVICES

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Affordable Housing Program
Frequently Asked Questions - 5255 Mt. Etna Drive (Former Crime Lab)
November 2018

Q1: Why is the County planning to place a new affordable housing development at the corner of Genesee Avenue and Mt. Etna Drive?

The County recognizes that the high cost of real estate within the County has created a competitive housing rental market in San Diego. Additionally, the rental market demand is outpacing the available supply and rental rates continue to escalate. Many low-income residents of our community are homeless or at risk of becoming homeless. County staff was directed to assess whether potentially-surplus County property could be made available to help alleviate this crisis. A feasibility study identified several County properties for further evaluation, and of those properties the former Crime Lab at 5255 Mt. Etna Drive ("Site") was determined to be suitable for near-term development. The Crime Lab functions have been relocated to the County Operations Center and the Site is available for redevelopment. The County desires to form a public - private partnership in the form of a ground lease with a specialty affordable housing developer to provide affordable solutions for the community.

Q2: What are the County's goals for the affordable housing development?

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- 1. Construct primarily multifamily residential units with at least fifty percent (50%) of the units dedicated as affordable to special needs and vulnerable populations in accordance with the County of San Diego Consortium 2015-2019 Consolidated Plan/2017-18 Annual Funding Plan and Section 232.5 of Article XV of the San Diego County Administrative Code. These populations include: seniors, persons with disabilities, persons with serious mental illness or substance abuse problems, persons with HIV/AIDS, military personnel and veterans, at-risk youth, survivors of domestic violence, persons who are homeless or at risk of homelessness, transition age youth, and families in need. The County would look favorably upon proposals that include a mix of seniors, military personnel, and veterans as well as workforce and middle-income housing.
- 2. Provide supportive services as appropriate to the targeted special needs and vulnerable population(s), which may include providing or coordinating with one or more supportive service partners to design and deliver needed services to tenants to promote housing stability and independence.
- 3. Construct and open the housing in the most expeditious way possible.
- 4. Maintain affordability restrictions for 99 years.
- 5. Provide annual rental payments to the County of San Diego.



Q3: What involvement does the City have with this development project?

The County is initiating a City of San Diego Community Plan Amendment (CPA) and rezone to allow for multifamily housing at the Site. The CPA process is a discretionary action by the City that requires analysis under the California Environmental Quality Act (CEQA). The CPA/CEQA effort is proposed to allow for County demolition of existing structures and City approval of the appropriate land use and zoning designations to facilitate future residential development. The City will be considering density and traffic impacts as part of this approval. Additionally, the City will retain oversight of the permitting process during construction.

Q4: What will be built at this site?

The County has selected Chelsea Investment Corporation as the developer to construct multifamily residential units with at least fifty percent (50%) of the units dedicated as affordable to special needs and vulnerable populations in accordance with the County of San Diego Consortium 2015-2019 Consolidated Plan/2017-18 Annual Funding Plan and Section 232.5 of Article XV of the San Diego County Administrative Code. It is anticipated that additional details of the proposed project will be available in December 2018/Early 2019.

Q5: What are the target populations for this project?

The County issued a <u>Request for Proposals</u> to prequalified developers that indicates an interest in seeing a mix of seniors, military personnel, and veterans as well as workforce and middle-income housing.

Q6: How many units are anticipated to be constructed and will there be a commercial component?

Chelsea Investment Corporation will begin community engagement to present what has been proposed and gather valuable feedback on the final design. The final unit count and land uses, including commercial, will depend on the allowable density and land uses per the final approved Community Plan Amendment.

Q7: What percentage of the housing will be dedicated to affordable homes?

The County has provided direction to construct primarily multifamily residential units with at least fifty percent (50%) of the units dedicated as affordable to special needs and vulnerable populations.

Q8: When does the County plan to engage the community on the proposed project?

The County is in the process of initiating a Community Plan Amendment that will require environmental review under CEQA. An Environmental Impact Report (EIR) will be prepared. Public outreach through the Clairemont Community Planning Group began in September for the CPA, and a CEQA Scoping Meeting was held the following week. The EIR public scoping period was extended until October 19, 2018 to allow for input focused on CEQA topics, specifically alternatives, potential impacts, and mitigation measures. On October 29, 2018, County staff presented the CPA Initiation Request to the Ad Hoc Subcommittee of the Clairemont Community Planning Group. Additional opportunities to comment on the impacts of the proposed CPA and the development include the regular meeting of the Community Planning Group on November 20, 2018, the 45-day public review period for the Draft EIR, and the public hearings before the City Planning Commission, City Council and County Board of Supervisors.

Q9: Will there be any opportunity for the community to give input on the development?

The County will strongly encourage the selected developer to work closely with the community.

Q10: When will demolition to the existing structures occur?

The County estimates that demolition of the existing structures will begin in early 2020, subject to all applicable discretionary approvals by the City and County.

Q11: What is the approximate date of groundbreaking/grand opening?

The County estimates ground breaking to occur in late 2020 with grand opening expected by mid-2022, subject to all applicable discretionary approvals by the City and County.

Q12: What is the value of the project?

Project value will be available once the design has been finalized.

Q13: How will construction be financed?

It is anticipated that the project will be financed utilizing a combination of developer contribution, conventional construction loans, permanent bond financing, government subsidized debt as well as local, state, and federal tax credits.

Q14: How high will the buildings be? What is the combined square footage of the building(s)?

These details are pending City of San Diego review of the future proposed development to be submitted by Chelsea Development Corporation.

Q15: What is the County's anticipated timeline?

- 1. County initiates CPA/rezone with City of San Diego and associated CEQA analysis September 2018
- 2. Developer Selection and Negotiations October 2018 Spring 2019
- 3. Developer begins community engagement on the proposed project Spring 2019
- 4. Public review period for the draft EIR Summer 2019
- 5. City Council will consider the approval of the CPA and adoption of EIR Fall 2019
- 6. Board of Supervisors Authorization to Advertise and Award Construction Contract for Demolition of Crime Lab structures, consideration of negotiated Ground Lease, and Certification of EIR December 2019

Q16: There are numerous acronyms being referred to during this process. Can you please provide a list of them and what they stand for?

AECOM – Planning firm assisting the County with the CPA

CAP – Climate Action Plan

CPA – Community Plan Amendment

CPG – Community Planning Group

CPIOZ – Community Plan Implementation Overlay Zone

DGS – County of San Diego Department of General Services

EIR – Environmental Impact Report

ESA – Environmental Science Associates, the firm assisting the County with the EIR

HCDS - County of San Diego Housing & Community Development Services

HHSA – County of San Diego Health and Human Services Agency

NOP – Notice of Preparation of an EIR

TPA – Transit Priority Area **RFP** – Request for proposals

Q17: Will the infrastructure and services in the area be expanded to accommodate the additional residential units?

The Site is a County-owned property located within the City of San Diego. The County EIR for the CPA is required to analyze the potential impacts on utilities and service systems per the CEQA Appendix G Environmental Checklist. Additionally, the City is a Responsible Agency to the CPA EIR and will provide input and comment regarding the potential environmental impacts. Finally, any future development at the Site would be designed to adequately tie in to existing City infrastructure, per City requirements.

Q18: Can the County maintain and upgrade existing streets and facilities in Clairemont rather than spending money on additional housing?

The County of San Diego and City of San Diego are two separate local governments. Clairemont is located within the jurisdictional boundaries of the City of San Diego and is therefore outside of the County's jurisdiction for infrastructure maintenance. Street improvements, schools, libraries, and public utilities fall under the jurisdiction and responsibility of the City of San Diego.

Q19. This site is designated as part of the community core and has a commercial designation. Why is it being changed from commercial to residential?

The existing base zoning at the project site is Commercial-Office (CO-1-2), which allows multifamily residential uses. The CO-1-2 zone is intended to accommodate a mix of office and residential uses that serve as an employment center and also permits a maximum density of 1 dwelling unit for each 1,500 square feet of lot area. The CPA proposal is to provide for residential only at the site with a density of up to 73 dwelling units per acre in order to facilitate the development of affordable multifamily homes. Uses on the site have included a hospital and crime lab. The site has never been developed for commercial use. The Clairemont General Hospital was constructed on the site in 1961 and operated until 1989 when the site was purchased for County use. On March 1, 1994, the Board of Supervisors authorized the relocation of the Sheriff's Criminal Investigations Division (a community serving facility) to the project site. The Crime Lab has now moved to the County Operations Center and the building is currently vacant. The current zoning allows residential and commercial uses; however, they have never existed on the site. So, rezoning the property as proposed would not necessarily result in less commercial development occurring in the community.

Q20. Please explain further how the Community Plan Amendment addresses the City of San Diego General Plan Land Use and Community Planning Element Policy LU-D.10 (A-C) criteria.

<u>LU-D.10 criteria</u> requires that initiation of an amendment be based on compliance with three initiation criteria: a) appears consistent with the goals and policies of the General Plan and community plan and any community plan specific amendment criteria; b) provides additional public benefit to the community as compared to the existing land use designation, density/intensity range, plan policy or site design; and c) public facilities appear to be available to serve the proposed increase in density/intensity, or their provision will be addressed as a component of the amendment process. The <u>CPA Initiation Letter</u> submitted to the City on August 24, 2018 describes how the project meets the Policy LU-D.10 (A-C) criteria. In addition, the CPA would be consistent with the community's goals and objectives for residential

development (page 11 of the Community Plan). The primary goal for residential development is to maintain the low-density character of predominantly single-family neighborhoods and encourage rehabilitation where appropriate. The Crime Lab site is adjacent to a variety of urban uses including commercial development, multi-story office towers, a San Diego Gas and Electric (SDG&E) easement and single-family residential development beyond the SDG&E easement. The proposed CPA would not involve any changes to existing single-family zoning within the community. In fact, the CPA would encourage rehabilitation of a currently vacant site and would facilitate infill development near commercial uses and within a designated Transit Priority Area. The CPA would contribute to the community's residential development objectives to provide a diversity of housing options (Objective 1 of the Community Plan) and locate higher density housing near commercial areas and along transportation corridors where there are adequate services (Objective 4 of the Community Plan). Multifamily development allowed by the CPA would act as a buffer between commercial areas and single-family neighborhoods to ensure the development is compatible with the existing neighborhood (Objective 3 of the Community Plan). Finally, future site development consistent with the CPA would be required to provide the required amount of parking set forth by City parking regulations (Objective 5 of the Community Plan). Further, the site has been developed with community/government uses and served by public services and utilities since 1961. The concurrent environmental review process (Environmental Impact Report (EIR)) for the CPA would ensure that the future site development would not overburden community or neighborhood facilities. The site developer would be required to pay any applicable fees and provide facilities adequate to meet the City's existing public services requirements.

Q21. Per the Community Plan: any reuse of the hospital facility should be a community-serving facility (pg 5). Please explain why this is not what is proposed for the site.

The site has not been used as a hospital since 1989; therefore, this Community Plan reference is dated. The reuse of the hospital facility site was the former Crime Lab, which was another community serving facility. The County seeks a Community Plan amendment to provide additional opportunities for affordable housing development to help alleviate the region's severe affordable housing crisis. This CPA will provide much needed housing opportunities for those in the community with special needs and vulnerable populations in accordance with the County of San Diego Consortium 2015-2019 Consolidated Plan/2017-18 Annual Funding Plan and Section 232.5 of Article XV of the San Diego County Administrative Code. There is also a proposed community serving facility (senior center or other public space) that may be incorporated into the project and made available to the community at large. The senior center will contain indoor and outdoor space as well as services for all seniors in the community of Clairemont.

Q22. This amendment includes a ministerial review that removes the community from the process. Please explain why the County is pursuing this process.

It is important to note that this CPA process is a discretionary process which calls for community involvement, and the future site development would be required to be consistent with the Community Plan as amended in order to be processed ministerially. The State Density Bonus Law (California Government Code Section 65915) requires that local governments provide for an expeditious processing of density bonus applications (Section 65915[3]). The City's affordable housing regulations (San Diego Municipal Code Chapter 14 Article 3 Division 7) include incentives for development that provides housing for very low income, low income, moderate income, or senior households, or transitional foster youth, disabled veterans, or

homeless persons. The City's affordable housing regulations are meant to comply with and implement the State Density Bonus Law. The CPA is intended to make the production of affordable housing more feasible on the site by entitling the site for residential development, while concurrently processing the EIR and demolishing the existing structure.

Q23. The redevelopment of the site appears to add no benefit to the existing community. Please describe the community benefits further.

The high cost of real estate within the region has created a competitive housing market in San Diego and the rental market demand is outpacing available supply as rental rates continue to increase. The average household struggles to pay rent in the current rental market but this especially impacts many lower income residents in the community. An affordable housing development would benefit the existing community by providing additional housing and resources to under-served community members. In addition, the community amendment process and associated EIR may identify required upgrades and fees for improvements to existing infrastructure (pedestrian, bicycle, and vehicular transportation, water, public spaces, etc.). Please see the Initiation Letter for further information regarding public benefits. See comments above regarding the senior center.

Q24. The Community Plan references protecting the existing single-family community. Therefore, requests for rezoning or other discretionary actions in these areas that could result in construction of any type of residential structures other than traditional single-family residential dwellings, with one dwelling unit per lot, should be denied (Pg 8). How will the County address this in the CPA?

The reference to the current Community Plan relates to single-family neighborhoods only. As shown in Figure 8 of the current <u>Clairemont Mesa Community Plan</u>, the site is not within a single-family protected neighborhood. Further, the site is not zoned for single-family residential use, and the proposed CPA would not involve any changes to existing single-family zoning within the community. As discussed in the current Clairemont Mesa Community Plan (<u>Page 43</u>, <u>Recommendations for the Community Core CPIOZ subsection</u>), "the proposed growth of the community core would not encroach into single-family neighborhoods because of existing and well-established multifamily areas that serve as a buffer between the core and nearby single-family areas." The proposed CPA would be consistent with this approach as it would allow for development of multifamily residences that would act as a buffer between the existing commercial areas adjacent to the site to the north, east, and south, and the single-family area located just to the west of the SDG&E easement.

Q25. Changing the zoning removes jobs and tax dollars that could be reinvested into the community. How does the County respond to this statement?

Please see the response to Q19 above. Additionally, providing additional residents near the extensive existing commercial development will provide an additional customer base for nearby businesses. One of the goals of affordable housing is to lower housing costs for low wage individuals so that they have more discretionary spending dollars to input into the local community. This project will actually have a significant positive effect on the existing local businesses.

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View updates to the schedule and informational materials: www.sdhcd.com

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