



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

NORA VARGAS
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

VACANT
Fourth District

JIM DESMOND
Fifth District

DATE: December 5, 2023

28

TO: Board of Supervisors

SUBJECT

ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

OVERVIEW

The San Diego region faces a severe and chronic shortage of affordable housing units that directly impacts housing insecurity and housing cost burden for lower-income households across San Diego County. Seniors are no exception and often find themselves more likely to spend more of their income on rent than other age groups because many live on fixed-incomes and are susceptible to the impacts of rent increases. Specifically, in the community of Ramona, approximately one third of senior households are paying upwards of 35% or more on housing costs. Since 1999, through the efforts of the Ramona Intergenerational Community Campus (RICC) Steering Committee and others, the community of Ramona has been pursuing the concept of creating a RICC as a model for a central hub for community services, recreation, and housing. The various concept plans discussed over the years include senior housing, a Live Well Center, library, senior center, and other community facilities.

On October 27, 2020 (9), the County of San Diego (County) Board of Supervisors (Board) authorized the Director of the Department of General Services (DGS) to issue a Request for Statements of Qualifications to determine qualified respondents and issue a Request for Proposals to respondents found qualified for the potential sale and development of Assessor Parcel Numbers 281-182-17 and -18 at the RICC in Ramona (Property). On March 2, 2021 (8), the Board received proposals from the development teams and authorized the Director of DGS to evaluate and select a proposal for negotiations of the terms of a Disposition and Development Agreement (DDA) that will outline the conditions of sale and then return to the Board for approval. Wakeland Housing Corporation (Wakeland) was chosen with a proposed 100 homes for low-income seniors, including a senior center open to the public, a medical center and a community park.

Staff have negotiated a DDA with Wakeland and today's request is for the Board to adopt an Ordinance authorizing a DDA between the County and Wakeland for the development of affordable housing on the Property, adopt a Resolution finding that the Property is Exempt

SUBJECT: ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

Surplus and will be disposed of pursuant to Government Code 25539.4, as well as approving the DDA and other documents necessary for the implementation of the project. The disposition of the Property will only occur upon the satisfaction of conditions outlined in the DDA, including the completion of all review required by the California Environmental Quality Act and Wakeland’s Receipt of permits and financing needed to construct the proposed development. Additionally, today’s approval will ensure that Wakeland can maximize tax credit funding and retain the California Tax Credit Allocation Committee (TCAC) “High Resource” designation for the site.

**RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed approval of the Development and Disposition Agreement is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15004(b) and section 15004(b)(2)(A) because an agency may designate a preferred site for CEQA review and enter into land acquisition agreements prior to completing CEQA review, and the Board of Supervisors hereby conditions any future disposition of and use of the site upon CEQA compliance. Further, environmental review for this affordable housing project is underway and nearing completion.
2. Find that Disposition and Development Agreement (DDA) will help meet the housing needs of the County and result in economic benefits to the County.
3. Adopt the following Ordinance after holding a public hearing as required by California Government Code section 25515.2. **(4 VOTES)**

AN ORDINANCE AUTHORIZING AN AGREEMENT ENTITLED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY OF SAN DIEGO AND WAKELAND HOUSING AND DEVELOPMENT CORPORATION OR ITS AFFILIATE FOR DISPOSITION DEVELOPMENT OF THE REAL PROPERTY IDENTIFIED AS ASSESSOR PARCEL NUMBERS 271-182-17 AND -18 IN THE UNINCORPORATED COMMUNITY OF RAMONA.

4. Authorize the Clerk of the Board to publish the Ordinance in accordance with California Government Code section 25124.
5. Adopt a Resolution entitled A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO FINDING THAT THE PROPERTY IDENTIFIED AS ASSESSOR PARCEL NO. 281-182-17 and –18 LOCATED IN UNICORPORATED RAMONA IS EXEMPT SURPLUS LAND TO BE DISPOSED OF PURSUANT TO GOVERNMENT CODE 25539.4.
6. Authorize the Director, Department of General Services, to execute the DDA with Wakeland Housing Corporation or an affiliate entity 30 days after adoption of the Ordinance and perform any actions in furtherance of or necessary to administer or

SUBJECT: ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

implement the DDA for a sale for the development of Assessor Parcel Numbers 281-182-17 and –18.

7. Authorize the Agency Director, Health and Human Services Agency, or a designee, to execute the Regulatory Agreement and any amendments to the Regulatory Agreement and perform any actions in furtherance of or necessary to administer or implement the DDA and Regulatory Agreement.

EQUITY IMPACT STATEMENT

Today’s recommendations will result in the development of much-needed affordable housing for seniors in the region. The 6th Cycle Regional Housing Needs Assessment (RHNA) indicates that 68,959 units are needed regionally for very low, and low-income households. This development reserves all units for low-income seniors earning below 50% area median income, currently \$48,250 for a one-person household and \$55,150 for a two-person household.

Approval of the recommendations contribute to the County’s efforts to address local housing shortages and, in alignment with the “5 P’s” of SANDAG’s Housing Acceleration Program (HAP), will help Promote Equity, Inclusion and Sustainability, Preserve Vulnerable Housing, and Produce Housing for All. Additionally, approval will result in the creation of private sector jobs and economic opportunities in San Diego County. It is anticipated that these actions will lead to increased housing for extremely low, very low, and low-income seniors throughout the County.

SUSTAINABILITY IMPACT STATEMENT

Today’s proposed actions support the County of San Diego’s Sustainability Goals to provide just and equitable access; and to protect health and wellbeing. The recommended actions will provide just and equitable access to housing for extremely low, very low, and low-income seniors, including those who are Black, Indigenous, and People of Color. These actions also align with the goal to protect the environment as well as health and wellbeing, which will be accomplished by incorporating robust sustainability criteria into each Request for Proposal that are in alignment with California Tax Credit Allocation Committee requirements, and our regional efforts to decarbonize.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2023-24 Operational Plan for the Department of General Services, Facilities Management Internal Service Fund. If approved, this request will result in estimated costs and revenue of \$250,000. The funding source is an internal agreement with the Health and Human Services Agency (HHS) supported by HHS’s existing available appropriations funded with General Purpose Revenue. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

SUBJECT: ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

In the community of Ramona, approximately one third of senior households are paying upwards of 35% or more on housing costs. Seniors are more likely to spend more of their income on rent than other age groups because many live on fixed-incomes and are susceptible to the impacts of rent increases. Additionally, the number of unsheltered homeless seniors has hovered above 25% since 2016 and the homeless population in the County remains one of the highest in the State.

The County of San Diego (County) has historically undertaken coordinated efforts to address the needs of affordable housing and continues to do so today. In furtherance of the Board of Supervisor’s (Board) desire to develop affordable senior housing at the Ramona Intergenerational Community Campus (RICC), the County acquired a 7.86-acre property adjacent to the RICC (Property) in 2020. The Property encompasses two parcels and extends from the shared property boundary with the County’s RICC parcels between 12th and 13th Streets to the Santa Maria Creek and Walnut Street to the northeast. Approximately 4 acres of site area (as seen in Attachment A) is available for affordable senior group housing development, while the rest of the Property will become a community park.

On October 27, 2020 (9), the Board authorized the Director of the Department of General Services (DGS) to issue a Request for Statements of Qualifications to determine qualified respondents and issue a Request for Proposals to respondents found qualified for the potential sale and development of the Property. On March 2, 2021 (8), the Board received proposals from the Development teams and authorized the Director of DGS to evaluate and select a proposal for negotiations of the terms of a Disposition and Development Agreement (DDA) that will outline the conditions of sale and development of affordable senior housing, and then return to the Board for approval. Wakeland Housing Corporation (Wakeland) was chosen with a proposed 100 homes for low-income seniors. Also included is a Senior Center with a community kitchen, a community park that will be dedicated to the County that includes multi-use trails, pickle ball courts, benches and shaded picnic structures, and a Program of All-Inclusive Care for the Elderly (PACE) Medical Clinic onsite (Project). Staff and Wakeland have finalized the terms of a DDA and are now returning for approval of that agreement. The affordability mix for the Project will be determined prior to the close of financing in accordance with the terms of the DDA and a Regulatory Agreement that will be recorded at the close of escrow. A recent update in the Tax Credit Allocation Committee (TCAC) mapping for this site will cause it to become a “Moderate Resource” designation as of January 1, 2024. This change will make it more difficult to score competitively for TCAC funding. In order to maintain the existing “High Resource” designation, an approved DDA and an adopted Ordinance must be in place prior to December 31, 2023. To ensure that affordable homes are provided in the community most expeditiously, we are returning to the Board today for approval of the DDA. Today’s approval will ensure that the Wakeland can maximize the tax credit funding needed to build this much needed resource in the community.

SUBJECT: ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

Key terms of the DDA are as follows:

PURCHASE PRICE	\$1.00
PROJECT SCOPE	One hundred (100) senior housing units that are affordable to households of income levels specified in the County Regulatory Agreement. Other components of the project will include approximately 1,800 square feet of commercial space for a senior center with a kitchen, to be open to the public, approximately 5,000 square feet for a PACE Medical Clinic and park improvements to be dedicated to the County upon completion.
CONVEYANCE OF PROPERTY	Upon Wakeland’s receipt of all permits, approvals and financing commitments necessary for the construction of the project, as well as successful completion of CEQA review.
DEED RESTRICTION	Restricted to affordable housing in perpetuity.
CLOSE OF ESCROW	No later than 24 months following the Effective Date of the DDA, subject to up to two 12-month extensions, with County’s sole discretion of approval.
CONSTRUCTION COMPLETION	No later than 24 months following the Close of Escrow, subject to a 6-month extension with County’s sole discretion of approval.

ENVIRONMENTAL STATEMENT

Today’s action is exempt from the California Environmental Quality Act (CEQA), since today’s action is not the appropriate time for CEQA compliance pursuant to CEQA Guidelines section 15004(b). Pursuant to CEQA Guidelines section 15004(b)(2) and section 15004(b)(2)(A), an agency may designate a preferred site for CEQA review and enter into land acquisition agreements prior to completing CEQA review. In accordance with CEQA Guidelines section 15004(b), the disposition and any future use of the subject property is contingent on the completion of CEQA review and compliance with CEQA. Here, the approval of the Development and Disposition Agreement (DDA) does not commit the County to the project. Further, the CEQA environmental review for the project is underway and nearing completion.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today’s action supports the Health and Housing Equity Initiatives in the County of San Diego’s 2023-2028 Strategic Plan by providing County owned property for the creation of safe and affordable housing for the region.

Respectfully submitted,



HELEN N. ROBBINS-MEYER
Interim Chief Administrative Officer

ATTACHMENT(S)

SUBJECT: ADOPT ORDINANCE AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR AFFORDABLE HOUSING ON COUNTY-OWNED LAND – RAMONA SENIOR HOUSING/PASEO NORTE AND RELATED CEQA FINDING (DISTRICT: 2)

Attachment A – Site Map

Attachment B – Ordinance

Attachment C – Resolution