

COUNCIL PRESIDENT SEAN ELO-RIVERA NINTH COUNCIL DISTRICT M E M O R A N D U M

DATE: June 28, 2024

TO: Mayor Todd Gloria

FROM: Council President Sean Elo-Rivera, District Nine

SUBJECT: Tools to Address San Diego's Shelter Crisis

This memo outlines four unused or underutilized tools that must be deployed as quickly as possible to address San Diego's homelessness crisis. Despite existing efforts, the demand for shelters and supportive housing continues to exceed available resources, and many shelter beds are coming offline within the next few months.

This is an emergency, and to effectively address this emergency it is imperative that San Diego's leaders explore and pursue all options to expand our capacity to provide safe and stable shelter for our unhoused neighbors as expeditiously as possible. These options include:

1. Assessment of Publicly Owned Properties:

Leveraging publicly owned properties can expedite the availability of shelter spaces and reduce costs associated with property acquisition. Under Mayor Gloria, the City has assessed City-owned properties for shelter use and was able to successfully bring hundreds of beds online in City-owned properties. Still, the City should reassess City-owned properties through a transparent process that allows for Council and public input into the criteria, potential sites, and process for selecting sites.

In addition, the City must work with partner agencies to assess and request the use of other publicly owned properties, including those owned by the state, school districts, and community colleges. This assessment of both City and other public properties would identify properties that could be repurposed as shelters or

transitional housing.

I respectfully request Economic Development Department (EDD) bring an action item to Council presenting its assessment of publicly owned properties, the criteria used to assess viability of these properties, and seeking direction from Council by September 30, 2024.

2. Request for Proposals for Privately Owned Properties:

The City should issue a Request for Proposals (RFP) to identify privately owned properties that could be leased or sold to the City for use as shelters. This approach would encourage property owners to contribute to the solution and provide a faster way to secure additional shelter spaces. The RFP process would also allow the city to evaluate and select the most suitable properties based on location, size, and existing infrastructure. The San Diego Housing Commission (SDHC) has used these types of solicitations in the past and has successfully brought on additional shelter resources through this process.

I respectfully request Homelessness Strategies and Solutions Department (HSSD) work with EDD to develop and publish an RFP by August 1, 2024, and provide Council with written updates in memorandum format at milestones in the contracting process, including whether the RFP receives responses, in addition to required Council action items.

3. Eminent Domain and Friendly Condemnation:

Eminent domain and friendly condemnation should be considered as a strategic tool to acquire properties that have been identified as suitable for shelters. These tools allow the City to take private property for public use with fair compensation, ensuring the rapid expansion of shelter infrastructure. By using both eminent domain and friendly condemnation, we can secure strategically located properties that are accessible to public transportation and essential services, enhancing the overall effectiveness of our homelessness response efforts. Friendly condemnation is a legal option to encourage property owners to voluntarily sell their properties without the City resorting to eminent domain, and SDHC has successfully used this tool in the past.

I respectfully request EDD work with the City Attorney's Office to pursue these tools. California's history of racially motivated eminent domain must be kept front of mind and under no circumstances replicated. Additionally, first consideration should be given to properties that are vacant, underutilized, blighted, recipients of administrative civil penalties for public health and safety municipal code violations, properties that have failed to remit Transient Occupancy Tax receipts, properties with other tax delinquencies, or properties available for auction by the County. I request updates on the consideration and pursuit of these tools be provided to Councilmembers on a quarterly basis in memorandum format, whether these tools

are being used to pursue sites at the time or not, in addition to required Council action.

4. Direct Cash Assistance:

Quicker than adding beds to our shelter system is freeing up beds that are currently being used. The California Statewide Study of People Experiencing Homelessness found that 86% of participants believed "a monthly subsidy of \$300–500 per month would help them re-enter housing. 95% thought a lump-sum payment of \$5,000–\$10,000 would help them." Comparatively, emergency shelter operating costs range between \$2,500 to \$6,000 per person monthly. Meaning, on a per-person and per-household basis, the direct cash assistance deemed helpful by people experiencing homelessness is a fraction of what is needed to provide them emergency shelter.

As a result, I propose providing direct cash assistance to those current residents who could likely exit the shelter system and find permanent housing with nothing more than financial support. This approach, supported by findings from recent studies and policy briefs, can be an efficient and effective means of reducing homelessness and minimizing the number of shelter beds the City needs to add to our system.

I respectfully request HSSD work with SDHC to perform an analysis of City shelter clients to identify how many individuals could leave the shelter system with direct cash assistance and how much financial support that would require, as well as the cost for developing and administering such a program by September 30, 2024.

Conclusion:

Addressing San Diego's homelessness crisis requires innovative and multifaceted approaches. By creating a direct cash assistance program, assessing publicly owned properties, soliciting proposals for privately owned properties, and utilizing eminent domain and friendly condemnation, San Diego can significantly expand our shelter capacity and provide comprehensive support to our homeless population. I urge you to consider these recommendations and take decisive action to support our most vulnerable residents.

CC:

City Attorney Mara Elliott, City of San Diego Lisa Jones, President and Chief Executive Officer, San Diego Housing Commission Charles Modica, Independent Budget Analyst, City of San Diego Eric Dargan, Chief Operating Officer, City of San Diego