

2014 – 2016 CHAMBER HOUSING ACTION PLAN

POSITION

The Chamber urges the City to adopt and implement the Chamber Housing Action Plan's (CHAP) recommendations into the city's policies.

An adequate supply of housing all housing types, both rental and for sale units, are critical to the region's economy and maintaining its competitive edge. Employers are concerned that San Diego homes are too expensive to attract and keep its workforce.

High home prices force workers to commute long distances burdening the region's transportation systems and impacting the environment. Longer commutes also increase work related stress reduces productivity and lowers the quality of life. If home prices remain too expensive, workers will relocate to competitor cities where housing is affordable. If businesses cannot attract or retain their employees, they will expand outside of San Diego or relocate entirely to its competitor cities.

The Chamber seeks to restore San Diego's 'jobs-housing' balance where San Diego's workforce can commute shorter distances and have the option of using multiple forms of transportation which lessen its impact on the environment and reduce wear and tear on the region's infrastructure. Workers' lives will improve and improve the region's quality of life.

The Chamber asks the City of San Diego to support the CHAP's recommendations and adopt them into ordinance form.

Overall Summary

The City and the region economy must have an adequate supply of housing to be maintain its economic competitiveness.

The City of San Diego must implement more reforms to meet its present and future needs. In the absence of redevelopment, the City must implement more robust reforms.

The CHAP would help the City increase production of housing by reducing costs and permit processing times, while reducing and eliminating duplicative and burdensome regulations for all housing types for the region's workforce.

The Chamber asks the City Council to accept the CHAP recommendations and make into ordinances.

The Chamber Housing Action Plan was first introduced to the San Diego City Council in 2005 at its request. The City Council asked that the Chamber provide viable policy recommendations that it could be transformed into ordinances and enacted by the Council with the intent that recommendations would stimulate residential development and add more units to the city's inventory in less time.

The Chamber was responding to San Diego housing market where both prices and rents were increasing rapidly and to a shrinking inventory of available homes, condominiums, and apartments. In spite of the growing demand, the cost of housing increased, the time to approve and build new housing increased causing a decline in new housing units in the region exacerbating the region's housing deficit.

While the prices and rents soared, worker salaries and wages could not respond in kind. Real estate rose prices so quickly, only a single-digit percentage of San Diegans could afford to buy a home at the peak of San Diego's real estate market. National Association of Home Builders ranked San Diego as one of the most unaffordable areas in the United States.

The Chamber's Housing Action Plan (CHAP) focuses 1) creating new funding sources for housing, 2) implementing appropriate long range planning to increase production of all housing types, and 3) reducing the costs and expedite the delivery of housing.

Specific policy recommendations include:

- The City Council add a citywide infrastructure initiative, with an component to fund affordable housing, to the 2016 ballot
- Update all of the city's community plan updates, incorporate into each plan the necessary environmental impact reports and minimum CEQA thresholds.
- Support legislation or policies creating infrastructure financing districts
- Revise the city's park equivalency standard and develop a new definition for city parks and recreational facilities.
- Expand fee deferral programs to include sewer, fire, and water until the project is complete.

The Chamber believes there still is an opportunity to enact policies that could decrease the cost and time to approve and build new opportunities and restore the jobs-housing balance in San Diego.