



Good Neighbors

San Diego
Housing Commission

REPORT

DATE ISSUED: December 5, 2003

ITEM 106

REPORT NO.: HCR03-115
For the Agenda of December 12, 2003

SUBJECT: Revision to Housing Commission Policy PO300.501, "Commission Responsibilities Related to the Housing Trust Fund" (Citywide)

SUMMARY

Issue: Should the Housing Commission approve changes to Policy PO300.501, Commission Responsibilities Related to the Housing Trust Fund, as described in this report?

Recommendation: That the Housing Commission approve updates to Policy PO300.501 to remove outdated material and to assign ministerial authority to the Chief Executive Officer or designee for variance requests of \$15,000 or less.

Fiscal Impact – None with this action.

BACKGROUND

The Housing Commission is responsible for administering the Housing Trust Fund as provided in San Diego Municipal Code Sections 98.0501 through 98.0618 and in Housing Commission Policy No. PO300.501. The San Diego Municipal Code provides guidance regarding projects that are responsible for payment of Housing Impact Fees, the uses that are exempt from Housing Impact Fees, determination of the fee, land or air rights in lieu of payment of the fee, and variance from the provisions of the Ordinance.

Municipal Code Sections 98.0614 through 98.0617 provide the standards for granting variances which include development projects that consist of construction built for and suitable solely for a specific use involving few or no employees.



A state agency authorized by the City of San Diego

DISCUSSION

Municipal Code Section 98.0614 gives the Housing Commission authority to grant variances from payment of Housing Impact Fees; however, it does not establish the level of review necessary.

At the Housing Commission meeting of October 24, 2003, the Board directed staff to recommend an appropriate level of ministerial authority for the Chief Executive Officer to approve requests for variance from payment of Housing Impact Fees. To accomplish this, staff is proposing revisions to Housing Commission Policy PO300.501 (Attachment 1).

Since 1990, fifty-two variances have been reviewed with forty-seven granted (thirty were under \$15,000; seventeen were over \$15,000) and five denied. Variance requests have ranged from zero to eight requests annually. Attachment 2 provides an overview of these variance requests.

Staff is recommending that the Housing Commission's Chief Executive Officer (CEO) be given authority to review and approve/deny variance requests that are equal to or less than \$15,000. This is consistent with current policy that gives the CEO authority to negotiate and settle claims against the Housing Commission for claims up to \$15,000 each occurrence.

Policy PO300.501 was created in August 1990. At that time, the Housing Trust Fund had an advisory board called the Housing Trust Fund Board of Trustees. In 1997, the City Council authorized the Housing Commission to assume the duties and responsibilities of the Housing Trust Fund Board of Trustees; however, Policy PO300.501 was not updated to reflect the impact of this change. Thus, additional changes are proposed that delete reference to said Board of Trustees and to delete obsolete procedures.

ALTERNATIVE

- 1) Continue to review and approve/deny all variance requests.
- 2) Select a different ministerial approval level.

Respectfully submitted,

**Signature on File
With Original Document**

Approved by,

Jack D. Farris
Manager, Housing Finance & Development

Elizabeth C. Morris
Chief Executive Officer

Attachments: 1) Revised Policy PO300.501
 2) Variance Requests 1990-2003