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July 24, 2023

The Honorable Michael T. Smyth
Presiding Judge
San Diego County Superior Court
1100 Union Street
San Diego, CA 92101

RE: Response to the May 9, 2023 Grand Jury Report Entitled "Housing in San Diego County"

Dear Judge Smyth:

On behalf of the City of Coronado, this letter constitutes the response to the San Diego County Grand Jury report entitled "Housing in San Diego County." Specifically, the City Manager was directed to respond to Recommendations 23-01 through 23-06.

RESPONSE TO GRAND JURY FINDINGS

Finding 3: The following cities did not meet their housing allocations for all income categories: Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, and Vista.

Response to Finding 3: The City agrees with this finding.

RESPONSE TO GRAND JURY RECOMMENDATIONS

Recommendation 23-01: Consider, if they have not already done so, using specific plans (as defined by the Governor's Office of Planning and Research) to facilitate the permitting and development of housing, particularly affordable housing, in their jurisdictions.

Response to Recommendation 23-01: The City of Coronado has already implemented this recommendation. The City has specific plans for the Orange Avenue corridor and Coronado Cays which were adopted in 2003 and 2001, respectively, and include the majority of the City's high density residential (40 dwelling units/acre) parcels.

Recommendation 23-02: Consider working with the school districts and community college districts within their jurisdictions to identify developable land for housing owned by districts within their boundaries.

Response to Recommendation 23-02: The City of Coronado has already implemented this recommendation. The City has held discussions with District representatives about potential, future workforce housing development on District property.

Recommendation 23-03: Consider working with local religious institutions within their jurisdictions to identify land developable for housing, particularly affordable housing.

Response to Recommendation 23-03: The City of Coronado has already implemented this recommendation. The City has had discussions with religious institutions that own land with adequate development capacity about opportunities for adding affordable housing on their property.

Recommendation 23-04: Consider drafting revenue-generating legislation at the jurisdiction level, if feasible and legal e.g., the Seattle Jumpstart Tax. Monies generated by such a tax to fund or assist in funding the construction of housing, particularly affordable housing.

Response to Recommendation 23-04: This recommendation will not be implemented because it is infeasible due to scale. Tax measures that may work well for large cities like Seattle with a broad employer base (population of ~750,000 with 22,000 businesses) are not suited for small cities such as Coronado (population of ~20,000 with 600 businesses and 46% of jobs associated with the military). A tax measure in Coronado modeled on high payroll and individual incomes would not generate adequate revenue within a reasonable timeframe to develop affordable housing.

Recommendation 23-05: Consider providing legislative support to re-introducing in the State Legislature SB 1105, or similar legislation, to create a San Diego County agency that could raise revenue for housing.

Response to Recommendation 23-05: This recommendation will not be implemented due to redundancy with existing agencies. The City of Coronado agrees that lack of funding has been a significant impediment to affordable housing development since the dissolution of redevelopment agencies in 2012. The creation of a new regional government agency with the ability to incur additional public debt and levy new local taxes to produce affordable housing is unwarranted, because the San Diego region is already served by the San Diego Housing Commission, a public housing agency created in 1979 whose mission is to create affordable housing opportunities, and SANDAG, a regional council of government that possesses the authority to tax and issue bonds and whose portfolio also includes affordable housing programs. It is unclear what benefits would derive from a third regional government agency with overlapping responsibilities.

Recommendation 23-06: Consider providing legislative support to SB4, which is currently before the legislature. This bill makes it easier to provide affordable housing on land owned by religious institutions.

Response to Recommendation 23-06: This recommendation has not yet been implemented but will be within the next 90 days.

The City appreciates the time and effort the Grand Jury invested to study this important regional matter and for its report and recommendations. If you have any questions regarding the City of Coronado's responses, please contact me at (619) 522-7335.

Respectfully submitted,



Tina Friend
City Manager

cc: Mayor and City Council