

Solutions and Findings of the San Diego Homeless Paradox

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There is no question that San Diego is facing a chronic problem of their increasing homeless population. According to HUD, the homeless count as of January 2016 reached a high of 9,116 homeless people in San Diego County. Oddly enough, the city of San Diego reports that the city has seen an increase in new construction by 3.2% over the past several years and expects to see an increase of new construction as high as 12.9% by 2017. This draws the question of why there is still an increasing amount of homeless when so much new construction is underway, and what San Diego is doing to take action. The truth is that they are! This project dives into what San Diego's future plans are to reduce their homeless population. In addition, this project aims to explore the reasoning on why the dominant type of affordable housing is mixed-use buildings when there are alternative options that are trending. Conflicts with variables such as cause of homelessness along with highly concentrated areas of homeless people produced many challenges. However, this led me to investigate and find areas in San Diego that have cheaper rent that could potentially be ideal areas to implement new affordable homes to ensure the lowest prices.

Key Words: San Diego, Affordable Housing, Housing Market, Homeless, Alternative Homes

Introduction

Throughout history man has been able to construct for the needs of people that have been insurmountable to any problem that we have faced. In doing so, we have created homes and communities that are able to obtain a large sense of comfort and stability to many people. Creating these communities we have progressed and increased our standard of living and in doing so many have been able to keep up with the repercussions of our housing development.

As the graph below shows, the prices of homes have gone up substantially over the course of the past 30 years with a severe dip when the market crashed in 2008. The housing market is only supposed to increase as the housing market is starting to rise.

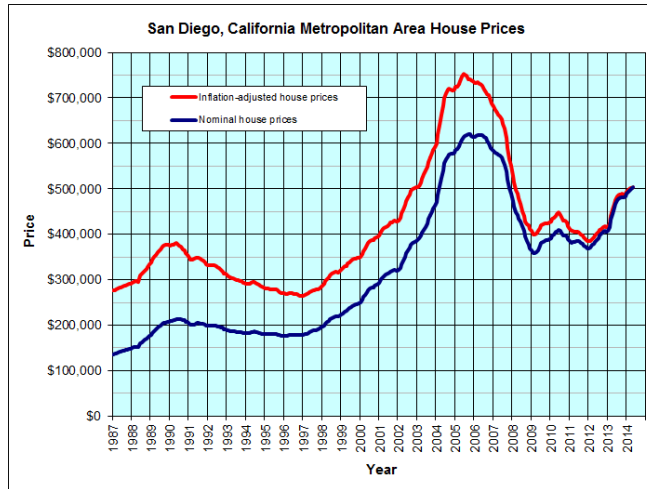
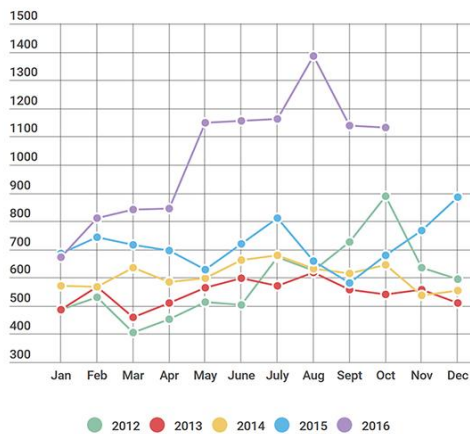


Figure 1: Average House Price From 1987-2014 (<https://www.sandiego.gov/housing/resources>)

Nonetheless, so many of us fail to see or even acknowledge those who are not able to transition to this new standard of living. As we look further in this situation, we see this issue arise in larger cities where people are often pushed out of homes and communities as the increase of price of those homes and developments. One location in particular is San Diego, California. With a significant increase in housing complexes being installed, we find the puzzling fact that the homeless community is also growing. This is where we see the real paradox with this problem and the complexity of the problem.

Street Homelessness in Downtown San Diego



Source: Downtown San Diego Partnership

Figure 2: Street Homeless in San Diego Over the Past 5 Years (<http://www.sdhc.org>)

Working in San Diego this past summer and seeing first hand the stark reality that the population of homeless is an issue that is plaguing the city. In the mean time I was interning on a project in Little Italy where the rent for the average studio was \$2,100. This was something that didn't make sense to me as I knew the people on the streets would not be able to afford these homes.

The City of San Diego

San Diego has seen rapid population growth over the course of the course of the last 65 years. Its populations has gone up from an average of 400,000 to 1.4 million people (The Sage Project, 2016). The provisions for affordable housing in San Diego has never been in higher demand as the homeless population rises above 9,100 people (The San Diego Tribune, 2017).

Unfortunately, according to Housing and Urban Development page, the median price for a home has just reached an average of \$535,000 with an average rent rate of \$1,748 for a studio apartment. This means that in order to buy a home, an individual must make around \$86,000 a year depending if they are a first-time home buyer or not. This seems like no easy task as the median house hold income for a family in San Diego is only \$63,400. For prices for affordable homes is much more affordable (see below).

Housing Affordability

- To qualify, applicants must earn no more than 30 - 60% of the Area Median Income (AMI)
- Average Market Rent
 - 3 bedroom \$1,960
 - 2 Bedroom \$1,570
 - 1 Bedroom \$1,400

Chart information based on a family of four in a two-bedroom unit

AMI	Income Limits (family of four)	Restricted Rent (per month)
60%	\$ 48,180	\$ 1,032
50%	40,150	851
40%	32,120	670

Figure 3: Affordable Housing Chart (<http://www.sdhc.org>)

When we look at these figures they seem and are much more affordable. However, many companies like Lennar, (a large scale property developer in San Diego) are not in the hunt to rack up affordable housing building because their profits are way too low in comparison to affordable housing units like the ones above. This is something that the SDHC has been trying to get a grip on as they are the ones in position to construct these homes as they can be federally funded. As I lived in San Diego this past summer, I heard rumors of San Diego bussing homeless people out of the county but only to have them come back to ship them out again. The homeless in question for this report are those that currently have jobs in San Diego but can't afford the high cost of living.

Methodology

My objective of this case study is to:

- Obtain San Diego's plan to solve their current homeless situation.
- Analyze why this is has been an ongoing issue in San Diego.
- Discover why the city of San Diego is not using other means of less costly alternative housing.
- Provide the city of San Diego what locations would be the best fit to build the upcoming affordable homes.

To investigate further I have taken the opportunity to look into what San Diego is planning on doing with the homeless situation in their city. In order to obtain the information I took the path of using more qualitative data as I have been able to interview with Julie Crandall a woman who works for the San Diego Housing Commission. Along with researching what locations are better fit to build future affordable housing complexes. This information that I gathered has been organized into the categories of: future plans, pros and cons of alternative building, and affordable housing locations.

Future Plans

One of the bigger surprises that I found while doing this project is just how much San Diego is taking action over this matter and not just today but through its history. According to the SDHC, San Diego has passed measures over the last 50 years that have been allowing the city to build numerous affordable housing units such as: 1972 – 500 units, 1976 – 2,500 units, 1981 – 2,500 units, and 2002 – 5,000 units. When I asked about the rumors to the city shipping homeless outside of the city Julie was quick to deny of any such action.

The most recent measure that was passed was measure M. This measure passing in November 2016 is one that will 38,680 affordable rental housing units in the city of San Diego. While conducting my interview with Ms. Crandall, she discussed with me that the city is banking on this measure to take care of not only people off the streets but should allow those that are barely hanging on their homes to be able to live a more comfortable life. However, this will not happen immediately as the site discussed: “affordable rental housing developments still have to go through the permitting process, including community, environmental and San Diego City Council reviews.” (<http://www.sdhc.org>). This is when I discovered that the city of San Diego has yet to choose of locations for some of these housing units.

Pros and Cons of Alternate Affordable Housing Complexes

Through my interview I was able to discuss what kind of complexes the City of San Diego are planning on constructing for new units. It was discussed that the units would follow the trend of what other high-rise building were going up in San Diego. This means that the city is planning

on using more of a mixed-use style of building that is composed of one to two levels of commercial space with residential units for the above levels. These units will be focusing on more of a single room or studio unit that expands around 400 SF on average.

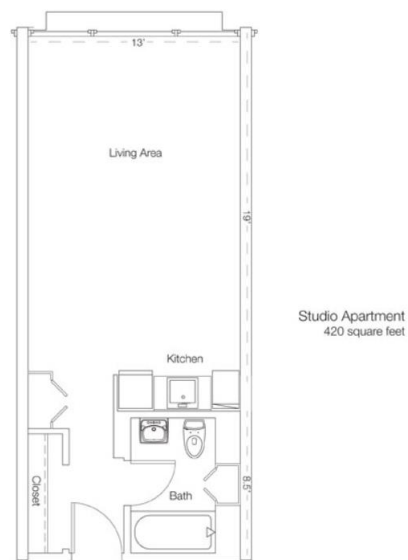


Figure 4: SDHC Base Template for Affordable Housing Studio Room (<http://www.sdhc.org/Homeless-Solutions/HousingFirst-SanDiego/>)

When it comes to alternatives to their affordable home options I was able to understand why San Diego is not planning on using options like shipping containers for their units. While I brought up the fact that the Homes out of shipping containers are a more cost efficient and quicker solution I was opened up to some reasons on why they are not. For instance the structural integrity of shipping containers are not able to span the heights that commercial buildings can. Thus, unable to compete with the over engineered mix-use buildings. In addition San Diego is worried that since shipping containers are not common on the West coast, they run the risk of drastically lowering the market of neighboring homes and communities. This mainly pertaining the aesthetic limitation that shipping containers have in comparison to vast variety that mixed-use buildings have.

Shipping containers are mostly found with dimensions of 10x40 feet. This may seem like the perfect dimension as the above floors plan but keep in mind the room for you MEP runs. This instantly shrinks the dimensions of the confined space that limits the room for the individual. In addition, the concept of having a commercial level as well increases the adaptability of the building as the commercial level could potentially provide jobs for the residence along with security.

Suggested Affordable Home Locations

The question still remains on where the majority of these affordable homes will be built in the larger San Diego County. Looking into this matter I wanted to be able to search for locations that currently have the lowest real estate market for a typical studio apartment. In doing so I wanted

to try and find places in which were located close to where the mass of the homeless population in San Diego was located near the coast and the down town area.

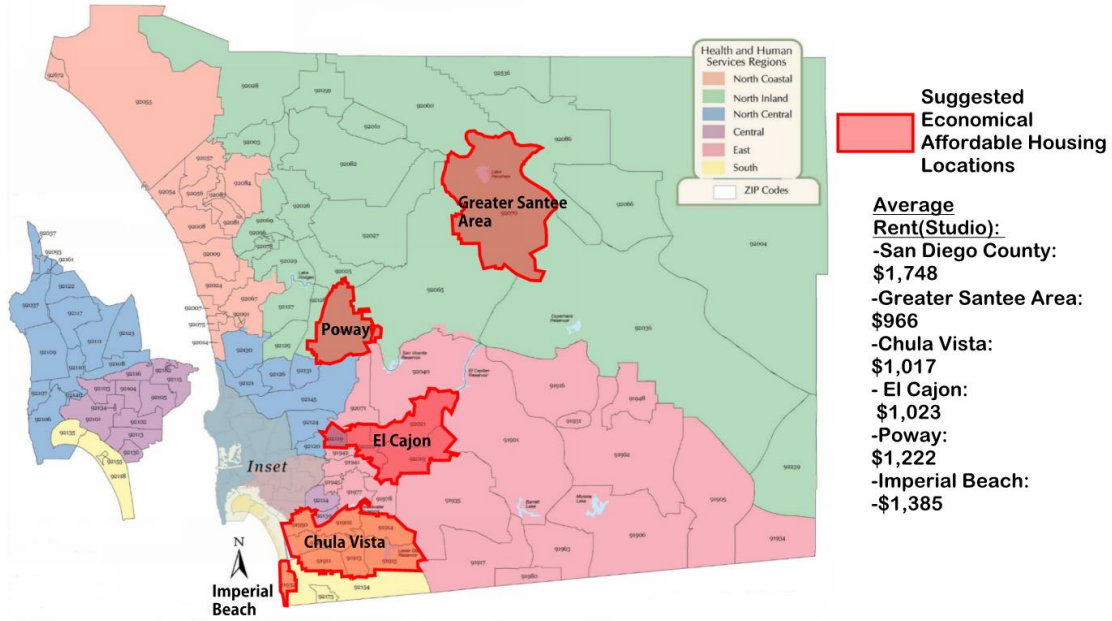


Figure 5: Map of Suggested Places to Install Affordable Housing units

The Greater Santee Area I found to be the cheapest place by area code however the issue with this location is that is also the furthest away from where most of the homeless community is located at (where the insert is located). The most ideal location that I found in regard to the price and the location where current homeless live are is the Chula Vista area.

Conclusion

The growing homeless situation is one that without a doubt has many variables and hurdles to get over. With a homeless population expanding over 9,000 people and the average home costing \$535,000 there seems to be a slim chance that many of these individuals will be able to find suitable housing. Along with the increasing a lot of variables got in the way as far as what demographic of homeless people am I trying to go for along with the large area that San Diego covers. Finding what San Diego has planned to do with the resent passing of Measure M gave me an opportunity to look into what types of affordable homes they are planning on building and why mixed-use is the style they are going for above others like the example I gave shipping containers. Along with this, I have been able to discover 5 areas as suggestions for San Diego to build these new affordable housing units. I am confident that shipping containers and other forms of alternative housing are the solution to this issue in San Diego. As for now, San Diego is on the right track to solving their homeless problem.

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