

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, APRIL 30, 2024**

**MINUTE ORDER NO. 33**

**SUBJECT: ENSURING TRAFFIC ALLEVIATION, PEDESTRIAN SAFETY, AND ACCESS TO GREENSPACE IS PRIORITIZED AT THE SPORTS ARENA REDEVELOPMENT SITE BY PARTICIPATING IN THE ONGOING DISCUSSIONS REGARDING A CITY OF SAN DIEGO ENHANCED INFRASTRUCTURE FINANCING DISTRICT OR SIMILAR ALTERNATE FUNDING MECHANISMS TO SUPPORT THE CONSTRUCTION OF 2,000 AFFORDABLE HOUSING UNITS (DISTRICTS: ALL)**

**OVERVIEW**

The County and City of San Diego held a joint meeting on October 3, 2022, passing a resolution committing to developing 10,000 affordable homes on public land by 2030. Since then, the County has advanced 11 county-owned sites with construction of over 1,500 affordable units under way.

The 48.5-acre Sports Arena site is owned by the City of San Diego and is being considered for one of the single largest and most consequential public redevelopment sites in the history of the San Diego region. The proposed Midway Rising project represents a transformative scale investment in public benefits including 2,000 deed-restricted affordable housing units, over 13 acres of parks, plazas, and open space, spillover economic impact including high-quality jobs, and improvements to key public infrastructure for a longstanding underserved neighborhood. This will be the largest affordable housing project in State history and significantly advances progress towards meeting the City and County’s 10,000 units affordable housing on public land goal.

The potential benefits to the County as a whole are huge, however, as the representative of District 3, the interest of my residents must be represented in ongoing discussions. Those interests include traffic and congestion mitigation, transportation infrastructure, green space connections, and stormwater, sewage, and flood control infrastructure. This Board letter seeks to ensure that our Board can advocate for the amenities and infrastructure that District 3 residents and project neighbors need to protect their quality of life.

**Project Highlights**

- 2,000 deed-restricted affordable homes
  - All units capped 80% and below or the Area Median Income, for example approximately \$878 to \$2,342 per month for a 2-bedroom unit.
- Affordable housing will include a diversity of unit types and sizes, the current proposed mix includes:
  - 60% families
    - 25% one-bedroom
    - 50% two-bedroom
    - 25% three-bedroom
  - 15% seniors
  - 15% veterans
  - 10% permanent supportive housing (200 units)

- 8,500 new jobs - all construction jobs are covered under a project labor agreement, and permanent jobs operated and maintained by San Diego working families.
- On-site childcare, healthcare, and job training academy.
- 13 acres of public parks, plazas, and open spaces.
- Public infrastructure investment and neighborhood improvements

On March 11, 2024, the San Diego City Council discussed potential financing structures to support the Midway Rising project, including the City’s intention to engage the County of San Diego in their exploration of options around an Enhanced Infrastructure Financing District (EIFD), or similar alternative funding mechanism, to assist in financing the infrastructure necessary for the construction of the project, including the 2,000 affordable homes at the Midway site. The Council adopted a resolution supporting further exploration of options.

Today’s item directs County staff to participate in the City of San Diego’s exploration of potential options for alternate funding mechanisms, including an EIFD, to support the redevelopment of the Sports Arena site. This action does not commit the County to any funding or support but allows the County a seat at the table as EIFD explorations unfold.

The County would benefit from such a collaboration in several ways. First, the project itself yields many clear public benefits, including the investment in 2,000 deed-restricted affordable homes, the largest affordable housing project in the history of the State, 8,500 high-quality jobs with a project labor agreement in place ensuring high quality jobs for working families, 13 acres of parks and open space, and major investments in public infrastructure and neighborhood improvements. Second, the project would significantly advance progress towards the County and City’s joint 10,000 affordable homes on public land goal. Third, the County and the City of San Diego can explore a Regional Housing Needs Assessment (RHNA) credit sharing model for the affordable units developed at Midway Rising. Finally, a potential EIFD would cover the project site and capture property tax growth would not exist but for the initial multi-billion dollar private investment by the Midway Rising development team.

**RECOMMENDATION(S)**

**VICE-CHAIR TERRA LAWSON-REMER**

1. Direct the Interim Chief Administrative Officer to collaboratively participate with the City of San Diego’s Department of Economic Development and Department of Finance to investigate funding mechanisms, including an EIFD for the Sports Arena Village footprint, or similar alternative funding mechanism, for the Midway site redevelopment. As part of this process, explore options with the City of San Diego for Regional Housing Needs Assessment (RHNA) credit sharing models for the affordable housing units developed at Midway Rising.
2. Direct the Interim Chief Administrative Officer to schedule an informational presentation from the Midway Rising development team and City of San Diego representatives within 60 days.

## **EQUITY IMPACT STATEMENT**

As recognized in the October 3, 2022, joint City and County resolution (Resolution Number 22-145), the region's affordable housing crisis has worsened since the COVID-19 pandemic as those at the lowest end of the economic spectrum are most adversely impacted, with the number of newly unsheltered individuals continuing to outpace the number of individuals connected with housing on a month over month basis. As such, the lack of affordable housing is one of the primary drivers of our homelessness crisis and further represents the greatest risk to the long-term economic health and prosperity of the region.

## **SUSTAINABILITY IMPACT STATEMENT**

This action aims to promote sustainable growth and ensure alignment with climate goals set by state and federal law. An EIFD can be used to support a variety of multimodal and transit mobility improvements identified in the Community Plan through transit-oriented development design guidelines, including Metropolitan Transit System Bus Rapid Transit (BRT) service, pedestrian and bicycle improvements and public park spaces and pathways for Midway site circulation and recreation. Additionally, an EIFD can support stormwater prevention measures and the infrastructure need to support those measures.

## **FISCAL IMPACT**

There is no fiscal impact associated with this action. At this time, there will be no change in net General Fund cost and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

This Midway Rising development project economic modeling projects approximately \$8 billion in local economic benefit, including direct, indirect, and induced economic activity, new streams of revenue to the city and county in the form of increased sales tax revenue, the creation of thousands of local, skilled-trained construction jobs, thousands of permanent jobs for San Diego's working families upon project completion as well as enhancing future property values of surrounding areas, thereby increasing property tax revenues to both taxing entities.

## **ACTION:**

Noting for the record that this item was heard on May 1, 2024; ON MOTION of Supervisor Lawson-Remer, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended.

AYES: Vargas, Anderson, Lawson-Remer, Montgomery Steppe, Desmond

State of California)  
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER  
Clerk of the Board of Supervisors



**Signed**  
by Andrew Potter