

VOICE of SAN DIEGO

San Diego Voters Sent a Clear Message on Housing: They Want More of it

Along with wins at the ballot box, a number of other pro-housing measures may also be moving forward in San Diego.

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First, Assemblyman Todd Gloria, who was backed by YIMBY and pro-housing groups, handily defeated a more traditional NIMBY candidate in the San Diego mayoral race. In addition, voters approved a ballot measure raising the coastal height limit in the Midway District. Clearly, a sizeable majority of voters want more housing, just as polls have shown that voters statewide prioritize housing and homelessness as important issues and support specific measures to make new homes easier to build.

Some housing activists were disappointed that a second ballot measure to increase property taxes in order to provide housing subsidies fell short of the two-thirds threshold required for it to pass, though it did receive a majority of votes cast. There were ample reasons to be skeptical of that measure, however. First, it was likely seen, with cause, as a tax hike rather than a pro-housing measure. Second, evidence from a similar measure in Los Angeles (Proposition HHH, passed in 2016) suggests that the tax-and-subsidize approach to housing was likely to prove wasteful. The Los Angeles city auditor found that HHH will cost \$600,000 for every unit of housing built, and even at that cost, progress toward building new housing was slow.

A number of other pro-housing measures may also be moving forward in San Diego. For example, on Nov. 9, the City Council gave overwhelming initial approval to outgoing Mayor Kevin Faulconer's Complete Communities plan. Complete Communities would allow more housing than what would otherwise be allowed on a lot, with limits calculated by floor-area ratio as opposed to the number of units per square foot.

This allows for smaller units instead of providing an incentive for developers to build fewer, larger, more expensive units. Judging from a similar program in Los Angeles, Complete Communities could open the way to more housing production and significantly reduced costs for affordable housing construction. Unfortunately, the plan does not affect lots in areas zoned exclusively for single-family housing, which makes up a majority of the lots that would otherwise fall under the plan. It also leaves in place a 30-foot height limit in coastal areas. These drawbacks leave room for future reforms even if Complete Communities passes.

As mayor, Gloria has an opportunity to continue Faulconer's pro-housing agenda. The logical next step would be making it easier to build more homes in single-family zones. Other restrictions should also be re-evaluated or eliminated, including setback, parking and minimum lot size requirements. Setbacks effectively ban townhouses, which would more efficiently use land. Parking is also an important consideration: Spaces can add tens of thousands of dollars to construction costs, and while San Diego has removed parking requirements near transit, new

construction in other areas probably requires more parking than residents will actually use. Minimum lot sizes are another area for reform: These requirements mandate that a housing unit be bundled with a certain amount of land set by regulation. If the government mandated consumers to buy more than they need in other areas, there would be a public outcry. This sort of regulation should warrant the same outcry when applied to housing as any other market.

The main idea is to let builders, renters and homebuyers make decisions on their own, without being forced one way or the other by regulations. City planners can't realistically predict what will work for any given lot. This market-friendly approach with streamlined regulation will help subsidized projects, market-rate projects, and most importantly, San Diegans.

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