

Affordable Housing can be a city's "Nuclear Waste". 10/30/06

by Pat Flannery

"In a county with a shortage of affordable housing, Poway, which has 45 percent open space, will feel pressure to change its zoning to allow more multifamily housing, Cafagna said." This strange quote caught my eye in a [San Diego Union Tribune story on October 6, 2006](#). I decided to investigate. Why would Poway's Mayor, Mickey Cafagna, be "feeling pressure" with affordable housing? What was that all about?

Then I saw this when [the U-T endorsed him](#) (they love developers): "We currently have a very aggressive program of partnering with private developers to build affordable housing, with over **750 units planned** over the next five years. I would like to continue that program." 750 units! For Poway! I don't think San Diego needs that many.

My first thought was if San Diego might be dumping its affordable housing problem across the fence into Poway. We have a huge NIMBY problem with affordable housing here in San Diego. Almost all downtown is in "redevelopment", generating thousands of million-dollar condos but in the process generating a set-aside obligation of 20% of every dollar spent by the redevelopment agency. Of course the million dollar condo owners don't want them anywhere near their tony pads. Hence the problem.

Cities who get hooked on redevelopment tax diversion dollars see "affordable housing" as nuclear plants' see nuclear waste. They don't know what to do with it. This "unwanted nuisance" is creating all kinds of weird abuses like turning existing mobile home parks and existing apartment complexes into "affordable housing".

I will explain in an upcoming blog how cities are inventing devious ways of meeting their affordable housing obligations by purchasing and "refinancing" existing low income projects like mobile home parks and single room occupancy hotels, encumbering them with massive debt and then giving them away to their friends under the guise of 501C3s. Poway has a few prime examples. But even that con job only goes so far. It has topped out in Poway with the "conversion" of three huge mobile home parks.

Mickey Cafagna is Chairman of the San Diego Association of Governments (SANDAG) and I wondered if he weren't thinking more on a County level than on a Poway level. I still don't know. But I do know that Poway now has an enormous "affordable housing" problem, similar to the downtown San Diego problem. That's what you get when you go hog-wild on a redevelopment kick. It has serious downsides.

So what is going on in Poway? Well, to put it mildly, Mayor Mickey Cafagna and his trusting City Council (they seem to follow a "Mickey knows best" policy), have created for themselves a giant social problem in that Poway as a city must now have a disproportionate level of affordable housing. I don't think the folks understand that.

So far the City has managed to hide it from all but a few activists. With 94.59% of the 1% property tax collected within the city limits of Poway going to the Redevelopment Agency, instead of to the City's General Fund (the highest "diversion" in the County), it is easy to see where their "affordable housing" problem is coming from.

Poway is in danger of becoming the "affordable housing" Mecca of San Diego County. If you build them they will come. Not exactly what the voters intended when they kept voting in Mickey Cafagna. He is a developer and knows this stuff very well. He is also the Chairman of SANDAG and knows it from that vantage point. But has he shared all his knowledge with the voters of Poway? I doubt it. Has he told them that a by-product of their new Town Center ("Mickey's Monument") will be 750 affordable housing units?

But just as in physics "every action has an equal and opposite" reaction, the inevitable has happened. Two very popular citizen-activists have thrown their hats in the ring to stop this redevelopment craziness. Activists [Connie Messina](#) and [Joe St. Lucas](#) look like taking two Council seats from the incumbents and [Nick Stavros](#) is mounting a last minute write-in challenge to mayor Mickey Cafagna. Now that's exciting.

Maybe the "Poway Revolt" will electrify the rest of San Diego county against this insidious disease called "redevelopment". The only ones who benefit from this tax diversion are the developers and it is no coincidence that it has reached its highest manifestation in a city run by a developer/mayor, Mickey Cafagna of Poway.

The San Diego U-T may have endorsed Cafagna, but this blog and I hope the entire activist community in San Diego, endorse Messina, St. Lucas and Stavros in Poway.