



## Does a good cause justify a bad decision?

About two years ago, the SLO County Board of Supervisors, in closed session, agreed that the historical Sunny Acres building and its surrounding property behind the old County Hospital was surplus and had no purpose. So the county decided to essentially give it away to Transitions Mental Health Association (TMHA) if they would rehab the old building. Evidently no thought was put into creating a vision for that historical building and the adjoining property that would provide a benefit to the entire community.

The deal made between Transitions and the Board of Supervisors gives TMHA an option to acquire 1.3 acres of the property located in the middle of approximately 10+ acres of county property behind the old General Hospital site. According to the option, TMHA would be able to purchase the historical building and build several additional high density buildings to house up to 34 recovering mental health clients.

Certainly a good cause. But is that the best use of that property? Are there better locations for those 34 mental health clients? Was the county's decision a good decision? **Is this a bad decision for a good cause?**

We think the answer is no, it is not a good decision. And, yes, there are better uses for the property and better locations that can fulfill the worthwhile housing need.

### **A Vision to Benefit the Entire Community**

Once they became aware of the Transitions' plan, a group of community residents began to ask hard questions about what should be the vision for that wonderful property. It is mostly an open space of 20 or so acres designated by the City as open space as it is currently used by many residents as a nature area for exercise, for dog walking and for enjoying the natural habitat at the base of the eastern bordering hills.

After learning that the city was not interested in the property, that the school district was not interested and that developers felt the slope, the cost and the market value for individual residences did not pencil out, we began to explore other uses that would provide a broad benefit to the community, not just a select 34 recovering clients.

After much research and investigation, we have concluded that such a use would be a **SLO Center for the Arts** that is focused upon bringing together many of the artists in our highly rich cultural community to foster creativity and collaboration. Not just visual artists, not just performing artists, not just art organizations such as the SLO Opera, the Mozaic Festival, vocal groups, dance groups, theatrical groups and more; but also individual artists who paint, sculpt, write, photograph, design and create. This would fulfill a need not already available in the community. Based upon our research, such a center would have exceptional support from the targeted artists, artist groups and those who support them and their art.

Such a center would provide a creative home for all those artists as well as those who want to participate in the results of the creative arts and those who are interested in learning to appreciate and create themselves. Shows, galleries, performances, viewings, lectures and classes would be an important part of the Center's program. All of these activities would be available to the breadth of the community from youth to seniors, from the unexposed to the articulate, from the novice to experts, for all walks of life in our community.

So, is converting the Sunny Acres historical building to Transitions residences a better decision than fulfilling a vision that benefits a significantly greater number of the community? **Or is this just a bad decision for a good cause?**

Given that Transitions' proposed use of the property would only benefit of a select group of recovering clients and may be a significant under-utilization of the property, should Transitions just accept the greater good hypothesis and surrender the property to the greater good? Maybe, but doing so would leave their constituency without a solution for a recognized need - housing for the recovering mentally ill.

Should they continue to pursue their project even though it would seem to go against the greater good philosophy? It depends. It depends upon the financial viability of the project and whether there are alternative locations available to satisfy the housing need.

### **Fiscal Responsibility**

Let's look at their project from a stand-alone financial perspective, without context of other possibilities. First, TMHA is getting the property essentially free (\$1,000 for option, \$100 to exercise the option). However, as Claire Clark, project manager for Transitions pointed out, "free is not free when you consider the cost to retrofit the building to satisfy the county requirements".

The only cost information available from Transitions is that it will take \$5,000,000 to make the project a reality (Tribune, April 4, 2014). It is unclear if the \$5 million is for the 13 residences in the existing Sunny Acres historical building or for a total of 34 units including the two to three additional buildings. If it is for the building retrofit only, that would almost be \$400,000 for each of the 13 studios of approximately 450 sq. ft. each. Compare that to new building cost of \$140 per sq. ft. resulting in a cost of \$63,000 per unit. Nearly \$400,000 per unit compared to \$63,000 per unit. Certainly, not a good decision even for a good cause. It is a **bad decision for a good cause**.

### **Alternative Location**

Most people accept that there is a need for additional residential and transitional housing for the needy in our community. If Transitions abandons this project, how will that need to be satisfied?

To help Transitions fulfill its goal of providing housing for its clients, we have been investigating alternative locations. To conduct that investigation, we asked Transitions for the criteria that they used to pick the current proposed location and to evaluate residential locations generally. Unfortunately, Transitions has not been forthcoming with any criteria. Either they don't have criteria for such decisions and just wing it or they are not sincere in considering alternative locations.

Notwithstanding Transitions lack of transparency, we have evaluated alternative sites by creating our own set of criteria based upon Transitions' rationale for the proposed site and our objective evaluations. Those criteria are:

- Access to public transportation
- Proximity to Health Care Facilities
- Proximity to Downtown
- Proximity to Transitions Growing Grounds
- Total cost of the project
- Approximate 1-2 acre site with capacity of 35 units
- Minimal neighborhood concern

Given those criteria, we have found at least one site that is superior in each of the criterion set forth, and that currently belongs to the County. If the County is persuaded into providing the land at a similar cost to Transitions as they have for the Sunny Acres location, the alternative location is clearly superior in each criterion. Even without that assumption, we would argue it is a better site.

One could ask the question as to why the County would want to provide the land so cheaply. The answer lies in the structure of the revenue that Transitions receives. THMA receives approximately \$11 million annually in revenue primarily from two sources – Santa Barbara County and San Luis Obispo County. The lion's share comes from SLO County. So SLO county is actually paying the tab for the activities of THMA. That means we, the tax payers, are paying the tab. So then does it makes sense for the county to provide land for the county supported TMHA to fulfill the need? The county has already said yes in giving TMHA its current option.

So with questions about the viability of the TMHA's Sunny Acres project (aka Bishop Street Studios project), why is Transitions so steadfastly moving ahead? That is a good question and we wish we understood the answer.

And why are they moving away from the successful model where they place a few clients in a refurbished home within a neighborhood? A setting where the clients have roles models of more normal behavior and a chance to integrate into a neighborhood. Their proposed project only allows for modeling of the behavior of other recovering mental health clients.

As much as we try to understand Transitions motives, goals and operation in an effort to help them help the needy, they continue leave our questions unanswered, to ignore our efforts to help and resist our concerns about fiscal responsibility. TMHA seem to continue making a **bad decision for a good cause**.

### **Benefit to the Broad Community**

Our purpose is not about stopping a limited use development, but upon creating a unique resource for benefit of the broad community through the rehabilitation, development and reutilization of an existing facility and though the implementation of a vision to facilitate creative collaboration of all forms of art.

This is not just about resisting change, it is about creating change for the benefit of the broadest segments of the community as well as providing cost effective housing for the needy. We committed to finding an alternate location for TMHA that maximizes the number of residents by most efficiently spending the money available.

This is not about NIMBY -Not In My Backyard. It is about creating a greater good and providing a vision for a unique piece of property. It is about creating a great use for the property and finding appropriate housing for TMHA clients.

And this is about caring for those mentally recovering clients who need housing. It is about satisfying a need in a financially responsible way. Since being financially responsible would allow the saved money to be used to help even more of those in need.

Please help us convince TMHA, the County and the City that this property needs a vision that is designed to benefit the entire community, not just a select few.

Help us help TMHA and the residents of SLO county to make Good Decision for their good cause, not a **bad decision for a good cause**.

If you are interested in helping create and develop this vision, please contact Lanny Hernandez, [lanny@m4hz.com](mailto:lanny@m4hz.com).

Or visit [www.SunnyAcresHB.com](http://www.SunnyAcresHB.com) for more information about neighborhood concerns and visit [www.slo-art.com](http://www.slo-art.com) to find out more about the SLO Center for the Arts.