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Congress of the United States
House of Representatives

Juan Vargas
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COMMITTEE ON FINANCIAL SERVICES
RANKING MEMBER, TASK FORCE ON
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SUBCOMMITTEE ON CAPITAL MARKETS
SUBCOMMITTEE ON FINANCIAL INSTITUTIONS
SUBCOMMITTEE ON NATIONAL SECURITY,
ILLICIT FINANCE, AND INTERNATIONAL
FINANCIAL INSTITUTIONS

May 23, 2025

The Honorable Steve Womack
Chair
Appropriations Subcommittee on Transportation,
Housing and Urban Development, and Related
Agencies
Washington, D.C. 20515

The Honorable James E. Clyburn
Ranking Member
Appropriations Subcommittee on Transportation,
Housing and Urban Development, and Related
Agencies
Washington, D.C. 20515

Dear Chairman Womack and Ranking Member Clyburn,

I am requesting funding for the “Palomar Motel - Permanent Supportive Housing” project in fiscal year 2026, in the amount of \$8,400,000. The entity to receive the funding is the City of Chula Vista, located 276 Fourth Ave., Chula Vista, CA 91910.

This project will support the City of Chula Vista’s plan to convert a recently acquired motel into affordable housing. To date, only 30 units of Permanent Supportive Housing (PSH) beds have been created in this Region, compared to the 6,865 PSH beds in the entire San Diego County. This disparity emphasizes the need for equitable distribution of supportive housing resources across the region.

The project consists of converting 31 motel units into long-term housing units, a new community space for property management offices, onsite services, case management, and a lounge area for residents. Each of the units would be fully renovated and equipped with a full bathroom and kitchenette. In addition, the property would be modified to be compliant with the American Disabilities Act (ADA). Supportive services offered for the duration of the residency will include, but are not limited to, case management, outreach services, substance abuse treatment services, and legal services. The comprehensive approach, which combines housing with supportive services, has proven to be effective in breaking the cycle of homelessness and empowering individuals to regain independence. The ability to produce additional permanent supportive housing units is an essential component in addressing homelessness and providing stability for vulnerable elderly, individuals, and families. Through this program, individuals facing homelessness will not only have access to safe and stable housing but will also receive the necessary support services to help them rebuild their lives and achieve long-term self-sufficiency.

This project is a good use of taxpayer resources because funds to support the addition of PSH units in this area of the County is vital for meeting the needs of the homeless population in the community and ensuring equity in access to stable housing and supportive services. The project’s objective is to provide Permanent Supportive Housing (PSH), integrating affordable housing assistance with voluntary support services to address the needs of chronically homeless individuals and elders. PSH has a proven track record of reducing chronic homelessness while promoting housing stability and improving overall health outcomes.

The project has a federal nexus because the funding provided is for purposes authorized by 42 U.S.C. 5305(a)(2) and (a)(4).

This project has received the support of California Assemblymember David Alvarez, Chula Vista Mayor John McCann, and California State Senator Stephen Padilla.

I certify that I have no financial interest in this project, and neither does anyone in my immediate family.

Sincerely,



Juan Vargas
Member of Congress