



SAN DIEGO
HOUSING
COMMISSION

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THE CREATION OF 810 AFFORDABLE RENTAL HOUSING UNITS IS HELPING LOW-INCOME SENIORS AND FAMILIES STABILIZE THEIR LIVES

Fifth anniversary of SDHC landmark agreement with U.S. Department of Housing and Urban Development—largest public housing conversion at the time whereby equity from properties were used to create additional affordable housing in the city of San Diego

San Diego, CA— An 83-year old resident of downtown San Diego’s Hotel Sandford and a single mother of three working fulltime and going to college shared their personal stories about having the opportunity to live in affordable housing as the San Diego Housing Commission (SDHC) commemorated the fifth anniversary of a landmark federal agreement that resulted in the creation of 810 additional rental housing units in the City of San Diego through public-private partnerships. ([Read the online Report](#)).

The chance to rent one of the new units “is a blessing,” said Rebecca Atuatasi, a single mother who lives in Courtyard Apartments in City Heights. “San Diego Housing Commission gave me a lot of hope because rent in San Diego County is not always affordable.”

The agreement transferred 1,366 public-housing units to SDHC in the largest public-housing conversion ever approved at the time. SDHC leveraged equity from these properties and raised \$95 million to create additional affordable housing during the worst recession since the Great Depression of the 1930s. These properties will remain affordable for at least 55 years or more.

SDHC President & CEO Richard C. Gentry said the achievements “would not have been possible without our partners in the public and private sector, our consultants, and the support from HUD and local government. Together, we have produced additional affordable housing that enhances our community and provides safe, secure housing for low-income families and seniors in the City of San Diego.”

Estrella del Mercado Apartments, near the San Diego-Coronado Bridge, was the backdrop for the event held today during “Housing America” month. Its 91 affordable units, opening next month, are among the 810 units resulting from the 2007 agreement between SDHC and the U.S. Department of Housing and Urban Development (HUD).

State Assemblymember Ben Hueso presented SDHC with a proclamation and said: “This is just a wonderful business plan that will only result in creating higher quality and more affordable housing for the people in our community that need it the most. That’s the whole purpose of doing it.”

SDHC exceeded the terms of the HUD agreement that called for 350 additional units. All the units will remain affordable for 55 years or more.

The new properties directly address key priorities for San Diego in affordable housing. Like Estrella del Mercado – part of the Mercado del Barrio development and within easy walking distance of a San Diego Trolley station – most of the properties are near transit corridors. And several of the properties have energy sustainability features.

State Assemblymember Toni Atkins noted that the revitalization project in Barrio Logan had been proposed decades earlier. “I want to thank you for working with us over the decades to make sure that we gave the community what they deserved, what they wanted and what they needed.”

Joseph McGuire, a resident of the newly rehabilitated Hotel Sandford in downtown San Diego, said he likes being close to health-service providers and transportation to go to restaurants. “I can get anywhere I need to go and I like to go by the transportation system that is now available,” said McGuire, whose building is near San Diego Trolley and bus lines.

The SDHC Finance Plan to tap into the equity from the converted properties to generate additional housing was approved unanimously by the SDHC Board of Commissioners on September 11, 2009. It subsequently was approved by the San Diego City Council, sitting as the Housing Authority of the City of San Diego, and was endorsed by Mayor Jerry Sanders.

Ed Moses, HUD Regional Public Housing Director, congratulated SDHC for “taking a big chance on something that no one thought would work – and you proved them wrong.”

“I’m not afraid to say we will steal this and take it every place we go,” Moses said.

“It’s a testament to commitment and all the people involved,” said Orlando Cabrera, former HUD Assistant Secretary of Indian and Public Housing, who approved the agreement on behalf of HUD in 2007.

San Diego City Councilmembers Todd Gloria and David Alvarez presented SDHC with a City Council proclamation declaring today “San Diego Housing Commission Affordable Housing Day.”

Gloria said, “This is government at its best – this is us seeing a problem, anticipating it in advance and solving it before it became a crisis.”

Alvarez pledged that he and other councilmembers would “continue to do the good work” that began with then-Councilmembers Hueso and Atkins.

In recognition of Housing America Month, SDHC was also presented with a plaque from the California Association of Housing Authorities (CAHA) recognizing the achievements of the agency through the landmark agreement.

SDHC Partnership Investments:

Partnerships	# of Units (incl. Mgr's Units)	# of Affordable Units	Type	SDHC Investment	Partner
Acquisition / Rehab					
Arbor Village Apartments	112	111	Family	\$7,980,976	LINC Housing Corporation
Vista Grande Apartments	49	48	Family	\$3,851,025	Wakeland Housing & Development Corporation, Southeastern Economic Development Corporation
New Construction					
Riverwalk Apartments	50	49	Family	\$4,525,391	Affirmed Housing Group
Estrella del Mercado Apartments	92	91	Family	\$7,111,224	City of San Diego Redevelopment Agency, Chelsea Investment Corporation
Mission Apartments	85	84	Family	\$6,027,000	City of San Diego Redevelopment Agency, AMCAL Multi-Housing, Inc.
Park Terramar Apartments	21	20	Family	\$2,151,699	Chelsea Investment Corporation
Total	409	403		\$31,647,315	

SDHC Owned Investments:

Property	# of Units (incl. Mgr's Units)	# of Affordable Units	Type	SDHC Investment	Partner
Acquisition / Rehab					
Hotel Sandford	130	129	Senior	\$6,460,700	Centre City Development Corporation
Mariner's Village Apartments	172	171	Family	\$34,819,289	
Courtyard Apartments*	37	37	Family	\$7,851,633	
Park Crest Apartments	71	70	Senior	\$8,915,520	
Total	410	407		\$58,047,142	

*No Managers unit

SDHC's public-private partners were:

- US. Department of Housing and Urban Development (HUD)
- NorthMarq Capital
- Keyser Marston Associates
- Greystone Servicing Corporation
- PNC Real Estate
- Fannie Mae
- FHA
- Hawkins Delafield & Wood LLP
- Eichner & Norris PLLC
- Orrick, Herrington & Sutcliffe LLP
- U.S. Bank
- Community HousingWorks
- Christensen & Spath LLP
- Centre City Development Corporation
- City of San Diego Redevelopment Agency
- Southeastern Economic Development Corporation
- Affirmed Housing Group
- LINC Housing Corporation
- Wakeland Housing & Development Corporation
- Chelsea Investment Corporation
- AIMCO
- AMCAL

For more information, read SDHC's online multimedia report, "[Creating Affordable Housing Through Public Housing Conversion](#)."

The report is also accessible on SDHC's website, www.sdhc.org.

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