



CREATING 52 NEW AFFORDABLE RENTAL APARTMENTS WITH SUPPORTIVE SERVICES FOR HOMELESS VETERANS

The Lofts at Normal Heights is part of the San Diego Housing Commission's HOUSING FIRST – SAN DIEGO homelessness action plan

SAN DIEGO, CA – A bulldozer and excavator began the process of transforming a vacant lot into 52 new permanent supportive housing units for homeless Veterans this morning as <u>The Lofts at Normal Heights</u>, a San Diego Housing Commission (SDHC) partnership development, celebrated its groundbreaking.

"Today's groundbreaking is an important step in addressing homelessness among military Veterans in the City of San Diego. We need more permanent supportive housing units like the 52 studios and one-bedroom rental apartments that The Lofts at Normal Heights will provide," SDHC Executive Vice President & Chief Strategy Officer Debbie Ruane said.

The rental apartments will remain affordable for 55 years for tenants with income up to 50 percent of San Diego's Area Median Income, currently \$31,850 a year for an individual.

Chelsea Investment Corporation is developing The Lofts at Normal Heights in partnership with SDHC.

"As a military Veteran myself, I appreciate the team that made this possible," said Bob Cummings, the Project Manager with Chelsea Investment Corporation.

Tenants will receive essential supportive services through Alpha Project.

"There's 50-plus of our brothers and sisters, homeless men and women that are Veterans, that served this country with pride and with dignity, and they'll be in this place and have a home of their own," Alpha Project President & CEO Bob McElroy said.

Through SDHC's homelessness action plan, <u>HOUSING FIRST – SAN DIEGO</u>, the agency awarded a \$5.2 million loan toward the development of The Lofts at Normal Heights:

- \$3 million in HOME Investment Partnerships Program funds, awarded by the U.S. Department of Housing and Urban Development (HUD) to the City of San Diego and administered by SDHC; and
- \$2.2 million from the City's Affordable Housing Fund, also administered by SDHC.

SDHC also awarded 52 federal housing vouchers to provide rental assistance to the homeless Veterans who will reside at The Lofts at Normal Heights. These vouchers will be linked to the rental units. So when a tenant moves on, the rental housing voucher will remain with the unit to help another homeless Veteran obtain a path off the streets.

Union Bank contributed a \$13.5 million construction loan toward the development.

"Union Bank has a really deep history in San Diego reaching back over 100 years," Union Bank Vice President Brian Frankel said. "To that end, we're very proud to continue this tradition by financing projects like The Lofts at Normal Heights, which will make a meaningful impact in the community today and into the future."

The estimated rents for the studio and one-bedroom units at The Lofts at Normal Heights range from \$446 to \$796 per month.

The development is within walking distance to the State Route 15 Mid-City Centerline Transit Station being built at El Cajon Boulevard. Additional amenities will include laundry and community rooms, as well as energy-efficient features and water-wise landscaping.

HOUSING FIRST – SAN DIEGO is rooted in the national "housing first" model of addressing homelessness, which is to provide housing as quickly as possible, with supportive services as needed.

The Lofts at Normal Heights is one of eight developments with a total of more than 400 permanent supportive housing units being created with funding and vouchers awarded by SDHC in the first three years of **HOUSING FIRST – SAN DIEGO**, which launched in November 2014.

In the current phase of **HOUSING FIRST – SAN DIEGO**, which launched on July 1, 2017, SDHC will award up to \$30 million over the next three fiscal years toward the development of at least 300 additional new permanent supportive housing units. Overall, through this homelessness action plan, SDHC will direct \$79.7 million in Federal, City of San Diego, and SDHC resources toward six programs that will create up permanent housing opportunities for 3,000 homeless San Diegans.

For more information about SDHC, visit www.sdhc.org.

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