



SAN DIEGO
HOUSING
COMMISSION

We're About People

San Diego Housing Commission (SDHC) Revised Resolution Authorizing SDHC to Apply for Homekey+ Program Grant Funds – 7798 Starling Drive Presentation to the SDHC Board of Commissioners November 7, 2025

Colin Miller
Senior Vice President of Real Estate Development
San Diego Housing Commission

Buddy Bohrer
Vice President of Real Estate Finance and Acquisitions
Real Estate Division



SDHC – Revised Resolution for Homekey+ Application

Introduction

- **April 25, 2025:** The SDHC Board of Commissioners (Board) voted 7-0 to authorize SDHC to:
 - Enter into a Purchase and Sale Agreement (PSA) for the property at 7798 Starling Dr., San Diego, CA 92123
 - Apply for up to \$35,000,000 in State of California Homekey+ Program grant funds for this property.
- **October 16, 2025:** The State announced the award of \$32,411,744 in Homekey+ Program grant funds to SDHC for the Starling Drive project.
- SDHC has committed 40 Veterans Affairs Supportive Housing (VASH) Project-Based Vouchers to help pay rent for veterans experiencing homelessness who will reside at the property.



SDHC – Revised Resolution for Homekey+ Application

Introduction (Continued)

- The SDHC Board resolution approved in April needs to be revised to specify that the Starling Drive property is existing housing.
- SDHC initially classified the project as acquisition/rehabilitation.
- However, this site is considered existing housing as defined by the regulations contained at 24 CFR 983.3.
 - The dwelling units substantially comply with Housing Quality Standards.
 - Any deficiencies can be reasonably corrected within a 30-day period.
 - There are no plans to undertake substantial improvements, as defined by 24 CFR 983.3, during the first two years the units are subject to a Housing Assistance Payment Contract.
- As existing housing, for Project-Based Voucher purposes, this project is not subject to the Requirements for Rehabilitated and Newly Constructed Units contained in 24 CFR 983 Subpart D.
- The proposed revision to the previously approved SDHC Board resolution has no fiscal impact.



SDHC – Revised Resolution for Homekey+ Application Property

- **Starling Place**
 - Council District: 7
 - County Supervisorial District: 4
- Serra Mesa Area
- 1 Building – three-story, elevator-served
- 64 Parking Spaces (4 ADA)
- Lot Size: 0.95 Acres
- Building size: Approximately 40,083 sq. ft.



Photo courtesy of Tusore Hospitality, Inc.



SDHC – Revised Resolution for Homekey+ Application Property (Continued)

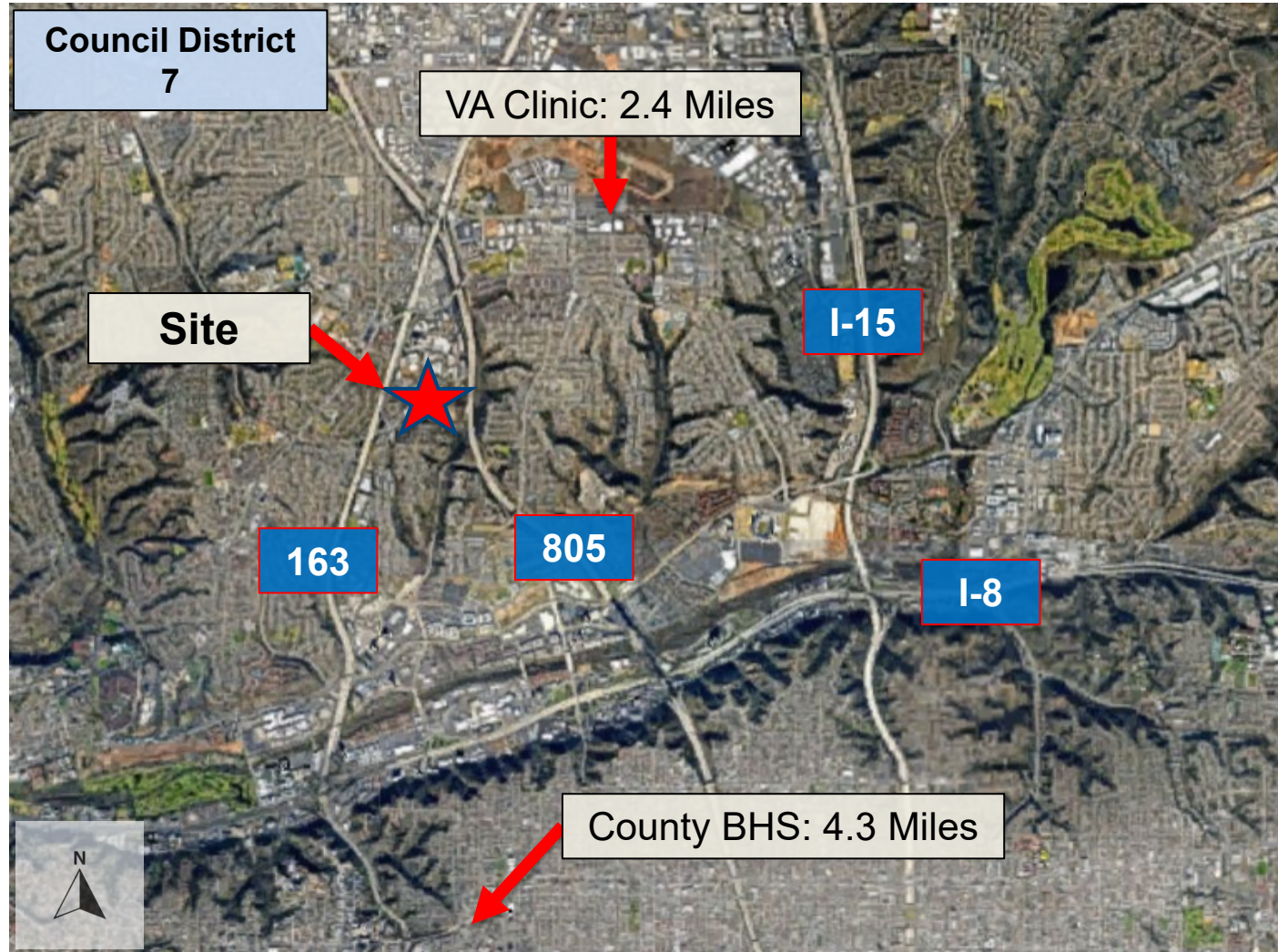


Photo courtesy of Tusore Hospitality, Inc.

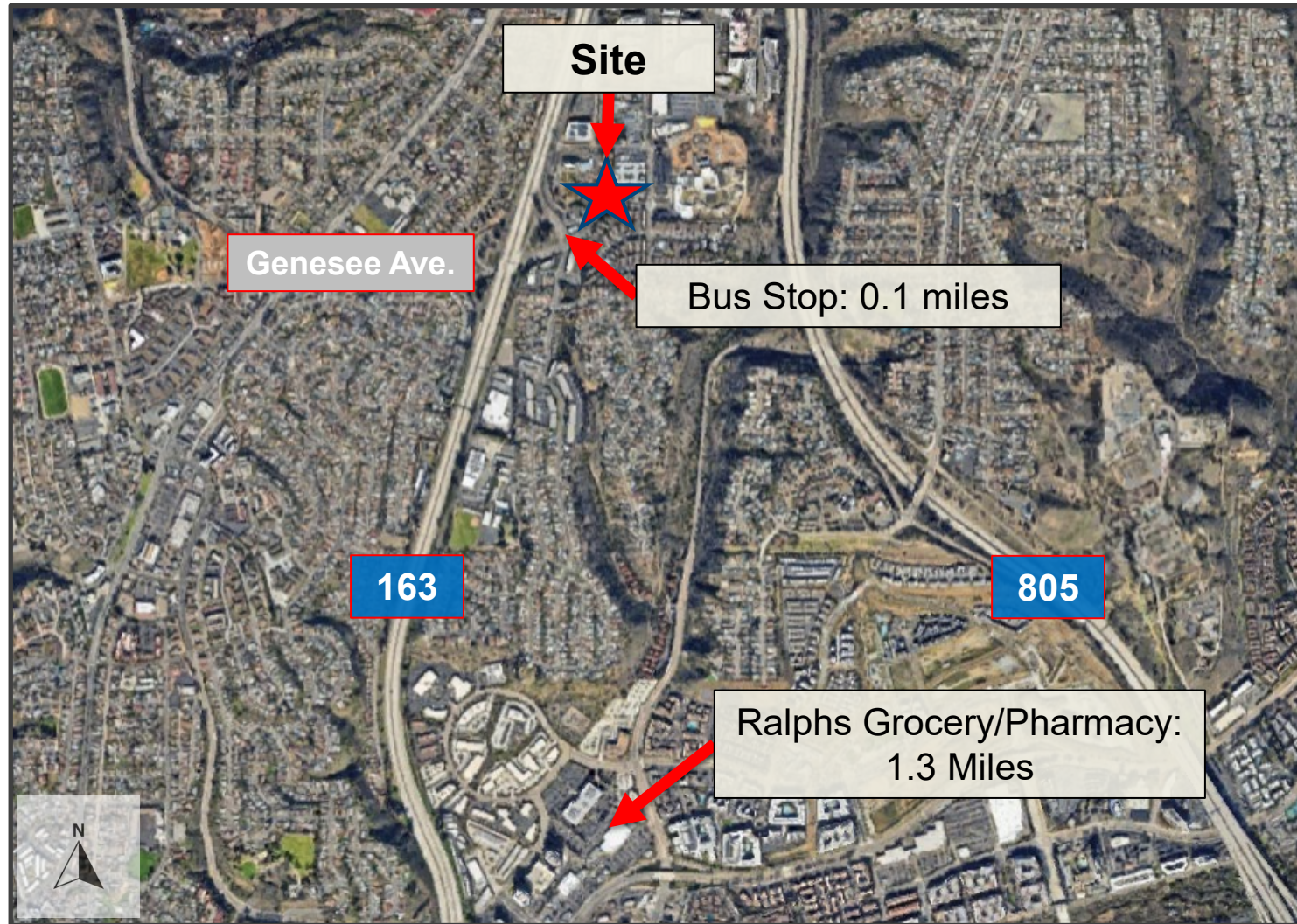
- **Units: 90**
 - (66 Studios and 24 One-Bedroom units)
 - **82 units** estimated at completion
- **Purchase Price: \$37,350,000**
(\$415,00 per unit)
- Former commercial office building converted to short-term vacation rental units in 2022.



SDHC – Revised Resolution for Homekey+ Application Surrounding Area



SDHC – Revised Resolution for Homekey+ Application Surrounding Area (Continued)



SDHC – Revised Resolution for Homekey+ Application Surrounding Area (Continued)



SDHC – Revised Resolution for Homekey+ Application Interior



Photo courtesy of Tusore Hospitality, Inc.



SDHC – Revised Resolution for Homekey+ Application Interior (Continued)



Photo courtesy of Tusore Hospitality, Inc.



SDHC – Revised Resolution for Homekey+ Application Interior (Continued)



Photo courtesy of Tusore Hospitality, Inc.



SDHC – Revised Resolution for Homekey+ Application

Staff Recommendations

That the SDHC Board of Commissioners take the following actions:

- 1) Approve a revised resolution authorizing and directing SDHC to submit an individual application to the State of California Department of Housing and Community Development (Department) Homekey+ Program for grant funds in an amount up to \$35,000,000 in accordance with the November 26, 2024, Notice of Funding Availability (NOFA) for the Homekey+ Program for the acquisition of existing housing at 7798 Starling Dr., San Diego, CA 92123. The revised resolution includes the addition of text to state that the property is existing housing.

SDHC initially classified the project as acquisition/rehab. This site is considered existing housing as defined by the regulations contained at 24 CFR 983.3. Specifically, as stated in the environmental review and physical needs assessment, and as verified by SDHC, the dwelling units substantially comply with Housing Quality Standards, any deficiencies can be reasonably corrected within a 30-day period, and there are no plans to undertake substantial improvements, as defined by 24 CFR 983.3, during the first two years the units are subject to a Housing Assistance Payment Contract.

As existing housing, for PBV purposes this project is not subject to the Requirements for Rehabilitated and Newly Constructed Units contained in 24 CFR 983 Subpart D.



SDHC – Revised Resolution for Homekey+ Application Staff Recommendations (Continued)

- 2) Authorize SDHC's President and CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner.



Questions & Comments

