



SAN DIEGO
HOUSING
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San Diego Housing Commission (SDHC)
Execution of a Purchase and Sale Agreement (PSA) between the
Housing Authority and Bridge Housing Corporation for Housing Authority
Property at the Southeast Corner of Nimitz and Famosa Boulevards
Housing Authority of the City of San Diego Agenda Item #2
December 17, 2024

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Real Estate Division



SDHC – Execution of a PSA for Nimitz & Famosa Site

Introduction

- The Housing Authority of the City of San Diego (Housing Authority) owns approximately 5.6 acres of undeveloped land consisting of 12 parcels on the southeast corner of Nimitz and Famosa Boulevards in the Peninsula Community Planning Area.
- July 6, 1981: The City of San Diego sold the property to the Housing Authority via City Council Resolution No. 254594.
 - The resolution specified the property shall be used for the construction of approximately 78 low-income rental apartments.
- August 19, 2019: SDHC issued a Request for Proposal (RFP) for the potential development of high-quality, affordable rental housing on the property.
 - SDHC received two responses to the RFP.
- July 13, 2021: The Housing Authority approved entering into an Exclusive Negotiating Agreement (ENA) with BRIDGE Housing.



SDHC – Execution of a PSA for Nimitz & Famosa Site

Introduction (Continued)

- Since 2021, BRIDGE Housing engaged a team of professionals to assist with developing the conceptual plan that best suits the location.
 - Architect
 - Civil Engineer
 - Biologist
 - Utility Consultant
 - Geotechnical Engineer
- In December 2023, SDG&E approved the site plan, which ensured access to utility poles.
- In April/May 2024, SDHC engaged a third-party appraiser, Novogradac, which appraised the land at \$1,340,000.
- SDHC and BRIDGE Housing reached a consensus regarding the terms of the proposed PSA.
 - The Purchase Price reflects the 2024 appraised amount.



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Project Proposal and Proposed Timeline

- BRIDGE Housing’s proposal includes:
 - 72 affordable housing units and one unrestricted manager’s unit
 - Three buildings (three stories each)
 - One-, two-, and three-bedroom units
 - Affordability for households earning 30% - 80% of Area Median Income
 - On-site Parking
- BRIDGE Housing’s proposed timeline—if the Housing Authority approves the PSA:
 - Commencement of required environmental clearances
 - Upon receipt of environmental clearances, BRIDGE Housing will begin applying for funding.
 - When all funding has been secured, BRIDGE Housing estimates it would close construction financing and begin construction by 2027 and complete construction in 18 months.



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Proposed Affordability Mix

Unit Type	AMI	Units	CTCAC* Gross Rent
One-bedroom	30% (currently \$36,400/year for a two-person household)	3	\$852
One-bedroom	50% (currently \$60,600/year for a two-person household)	15	\$1,420
One-bedroom	60% (currently \$72,720/year for a two-person household)	12	\$1,704
One-bedroom	80% (currently \$97,000/year for a two-person household)	<u>5</u>	\$2,425
Subtotal One-bedroom Units		35	
Two-bedroom	30% (currently \$40,950/year for a three-person household)	3	\$1,023
Two-bedroom	50% (currently \$68,200/year for a three-person household)	4	\$1,705
Two-bedroom	60% (currently \$81,840/year for a three-person household)	5	\$2,046
Two-bedroom	80% (currently \$109,150/year for a three-person household)	<u>6</u>	\$2,729
Subtotal Two-bedroom Units		18	
Three-bedroom	30% (currently \$45,450/year for a four-person household)	2	\$1,182
Three-bedroom	50% (currently \$75,750/year for a four-person household)	4	\$1,970
Three-bedroom	60% (currently \$90,900/year for a four-person household)	7	\$2,364
Three-bedroom	80% (currently \$121,250/year for a four-person household)	<u>6</u>	\$3,031
Subtotal Three-bedroom Units		19	
Subtotal Affordable Units		72	
Manager's three-bedroom unit	--	<u>1</u>	
Total		73	

*CTCAC is the California Tax Credit Allocation Committee.





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Current Site Photos



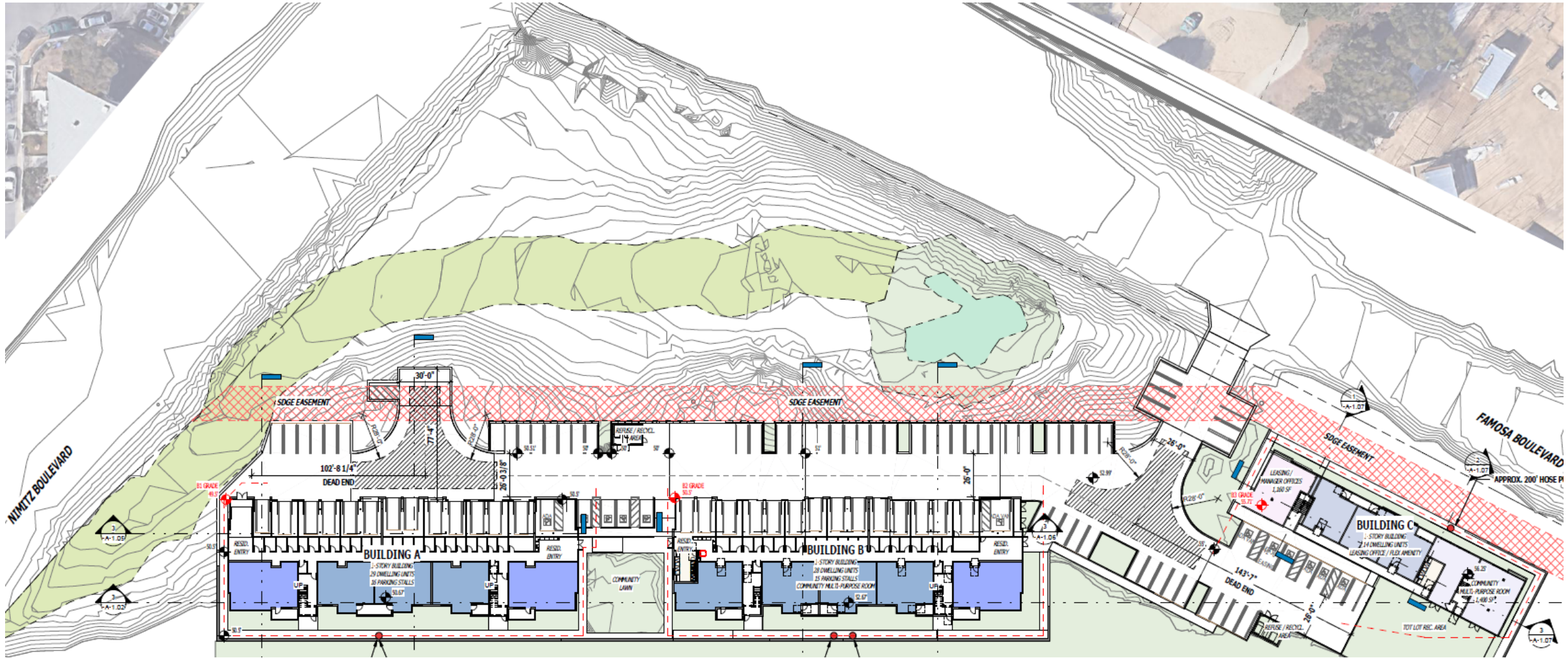
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Site Map



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Architect's Perspective View



SDHC – Execution of a PSA for Nimitz & Famosa Site Site Plan



SDHC – Execution of a PSA for Nimitz & Famosa Site

Staff Recommendations

That the Housing Authority take the following actions:

- 1) Authorize the San Diego Housing Commission's (SDHC) President and Chief Executive Officer (President and CEO), or designee, to enter into a Purchase and Sale Agreement (PSA), on behalf of the Housing Authority, with Bridge Housing Corporation (Bridge Housing) for a purchase price of \$1,340,000 and authorize the conveyance of the Housing Authority-owned property at the southeast corner of Nimitz and Famosa Boulevards to Bridge Housing, contingent upon satisfactory design of a project that shall consist of affordable rental housing units and an unrestricted manager's unit and upon the project receiving all necessary discretionary approvals, entitlements and environmental clearances from the City of San Diego.
- 2) Authorize the Housing Commission'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 take such actions as are necessary and/or appropriate to implement these approvals. Housing Commission staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the documents, and other required documents, including amendments to any documents.



Questions & Comments

