

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. HC- 1810

DATE OF FINAL PASSAGE May 3, 2019

A RESOLUTION APPROVING A RESIDUAL RECEIPTS LOAN IN AN AMOUNT NOT TO EXCEED \$6,150,000 TO 14TH AND COMMERCIAL CIC L.P., A CALIFORNIA LIMITED PARTNERSHIP FORMED BY CHELSEA INVESTMENT CORPORATION, TO FINANCE THE PROPOSED ACQUISITION AND NEW CONSTRUCTION OF 14TH AND COMMERCIAL APARTMENTS, A 326-UNIT AFFORDABLE RENTAL HOUSING DEVELOPMENT, TO BE LOCATED AT 1402 COMMERCIAL STREET, SAN DIEGO, WHICH WILL REMAIN AFFORDABLE FOR 55 YEARS.

WHEREAS, 14th and Commercial Apartments is a proposed 326-unit affordable rental housing development, (including 93 units for low- and very low-income tenants, plus 230 units for very low- and low-income individuals experiencing homelessness with an identified disability, residing within the City of San Diego), in a transit-oriented, two-building, high-rise development to be located at 1402 Commercial Street, San Diego, that will remain affordable for 55 years and three manager's units; and

WHEREAS, on May 3, 2019, the Board of Commissioners of the San Diego Housing Commission (Housing Commission) heard and recommended that the Housing Commission make a residual receipts loan of up to \$6,150,000 to 14th and Commercial Apartments, as more particularly described in the Housing Commission Report HCR19-044; NOW THEREFORE,

BE IT RESOLVED, by the Housing Commission that it is hereby authorized to make and fund a residual receipts loan of up to \$6,150,000 to facilitate the acquisition and new construction of 14th and Commercial Apartments on the terms and conditions more particularly described in Housing Commission Report HCR19-044. Including a contingency that the developer receive all necessary third party funding commitments.

BE IT FURTHER RESOLVED that the President and Chief Executive Officer (President & CEO), or designee, is authorized to:

1. Execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by General Counsel, and to take such actions as are necessary, convenient and/or appropriate to implement the approvals upon advice of General Counsel;
2. Adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$6,150,000 maximum Housing Commission loan amount not increase; and
3. Substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President & CEO, or designee, to take such actions as necessary, convenient and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of General Counsel.

BE IT FURTHER RESOLVED that the proposed development activities set forth in Housing Commission Report HCR19-044 are covered under the following:

Development within the Downtown Community Planning area is covered under the following documents, all referred to as the "Downtown FEIR": Final Environmental Impact Report (FEIR) for the San Diego Downtown Community Plan, Centre City Planned District Ordinance, and 10th Amendment to the Centre City Redevelopment Plan, certified by the former Redevelopment Agency ("Former Agency") and the City Council on March 14, 2006 (Resolutions R-04001 and R-301265, respectively); subsequent addenda to the FEIR certified by the Former Agency on August 3, 2007 (Former Agency Resolution R-04193), April 21, 2010 (Former Agency Resolution R-04510), and August 3, 2010

(Former Agency Resolution R-04544), and certified by the City Council on February 12, 2014 (City Council Resolution R-308724) and July 14, 2014 (City Council Resolution R-309115); and, the Final Supplemental Environmental Impact Report for the Downtown San Diego Mobility Plan certified by the City Council on June 21, 2016 (Resolution R-310561). Development within the Downtown Community Planning area is also covered under the following documents, all referred to as the "CAP FEIR": FEIR for the City of San Diego Climate Action Plan (CAP), certified by the City Council on July 12, 2016 (City Council Resolution R-310596). The Downtown FEIR and CAP FEIR are both "Program EIRs" prepared in compliance with California Environmental Quality Act (CEQA) Guidelines Section 15168. The information contained in the Downtown FEIR and the CAP FEIR reflects the independent judgement of the City of San Diego as the lead agency. The Downtown FEIR and CAP FEIR are located on the City of San Diego's website: ([https://www.sandiego.gov/planning/programs/ceqa#Final CEQA Documents](https://www.sandiego.gov/planning/programs/ceqa#Final%20CEQA%20Documents)). Consistent with best practices suggested by Section 15168, a Downtown 15168 Consistency Evaluation ("Evaluation") will be completed to evaluate the project's consistency with the findings of the Downtown FEIR and CAP FEIR. If the evaluation concludes that the environmental impacts of the project were adequately addressed in the Downtown FEIR and CAP FEIR, the project within the scope of the development program described within both documents for the purposes of CEQA; and, that none of the conditions listed in Section 15162 exist, no further environmental documentation will be required under CEQA. Approval will occur once the environmental review has been completed in accordance with CEQA Section 15004. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process.

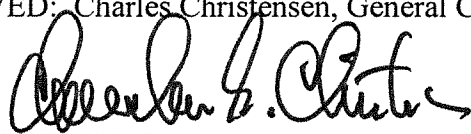
Federal funds will constitute a portion of the funding for the project. A final reservation of federal funds shall occur only upon satisfactory completion of the environmental review and receipt by

the City of San Diego of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58 of the National Environmental Policy Act (NEPA). The parties agree that the provision of any federal funds to the project is conditioned on the City of San Diego's determination to proceed with, modify, or cancel the project based on the results of a subsequent environmental review under NEPA. The Housing Commission received final NEPA clearance and authorizations to use grant funds from HUD on June 30, 2018, and August 14, 2018, respectively.

THIS ACTION BECAME FINAL ON MAY 10, 2019, pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(1).

APPROVED: Charles Christensen, General Counsel

By



Charles Christensen
General Counsel

Passed and adopted by the San Diego Housing Commission on May 3, 2019, and finalized on May 10, 2019, pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(1), by the following vote:

	Yeas	Nays	Excused	Not Present
Frank Urtasun	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stefanie Benvenuto	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ryan Clumpner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Margaret Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johanna Hester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Kellee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tim Walsh	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

Stefanie Benvenuto

Chair of the San Diego Housing Commission

Richard C. Gentry

President & Chief Executive Officer of the
San Diego Housing Commission

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 1810 passed and adopted by the San Diego Housing Commission on May 3, 2019, and finalized on May 10, 2019.

By:



Scott Marshall
Secretary of the San Diego Housing Commission