

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. HC - 1980

DATE OF FINAL PASSAGE April 6, 2023

A RESOLUTION APPROVING A RESIDUAL RECEIPTS LOAN IN AN AMOUNT NOT TO EXCEED \$3,000,000 TO MODICA FAMILY APARTMENTS CIC, LP, A CALIFORNIA LIMITED PARTNERSHIP, TO FACILITATE THE NEW CONSTRUCTION OF MODICA APARTMENTS, AN AFFORDABLE RENTAL HOUSING DEVELOPMENT AT 5255 MT. ETNA DRIVE FOR INDIVIDUALS AND FAMILIES WITH INCOME OF 30 PERCENT TO 60 PERCENT OF SAN DIEGO'S AREA MEDIAN INCOME; AND RELATED ACTIONS.

WHEREAS, Modica Apartments is a proposed new construction, affordable rental housing development at 5255 Mt. Etna Drive in the Clairemont neighborhood of San Diego, which will consist of 93 rental housing units that will remain affordable for 55 years for individuals and families with income of 30 percent to 60 percent of San Diego's Area Median Income and one unrestricted manager's unit;

WHEREAS, on April 6, 2023, the Board of Commissioners of the San Diego Housing Commission (Housing Commission) heard and recommended that the Housing Commission make a loan of up to \$3,000,000 to Modica Family Apartments CIC, LP., as more particularly described in the Housing Commission Report HCR23-036;

NOW THEREFORE,

BE IT RESOLVED, by the Housing Commission Board of Commissioners that a Housing Commission residual receipts loan in an amount not to exceed \$3,000,000 to Modica Family Apartments is approved to finance the proposed new construction of the Modica Apartments on the terms and conditions more particularly described in Housing Commission Report HCR23-036.

BE IT FURTHER RESOLVED that the President and Chief Executive Officer of the Housing Commission, 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner;
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 \$3,000,000 maximum Housing Commission loan amount may 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 HCR23-036 are covered under the following:

California Environmental Quality Act. On January 14, 2020, the County of San Diego, as the Lead Agency, certified EIR (SCH No. 2018091016) for the Mount Etna Community Plan Amendment and Rezone project, and adopted a Mitigation, Monitoring, and Reporting Program. Pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15096, the City, as a Responsible Agency, considered the EIR (SCH No. 2018091061). City staff determined that the plan amendments, code amendments, and rezone are covered by EIR SCH No. 2018091016 in


accordance with CEQA Guidelines Section 15162 (a): 1) No substantial changes are proposed in the project which would require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) No substantial changes have occurred with respect to the circumstances under which the project is undertaken which would require major revisions to the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and (3) There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified, that shows any of the circumstances described in CEQA Guidelines 15162(3)(A) - (D). Therefore, no subsequent environmental document is required, in that no new additional impacts and/or mitigation measures are required beyond those that were analyzed in the original environmental document. All of the impacts were adequately addressed and disclosed in the previously certified EIR.

National Environmental Policy Act. Federal funds constitute a portion of the funding for this 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 HUD 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 upon the City of San Diego's determination to proceed with, modify, or cancel the project based upon the results of a subsequent environmental review under NEPA. Final authorization to utilize federal funds is expected to be received from HUD prior to the June 2023 construction commencement timeline.

Approved as to Form


Christensen & Spath

By:



Walter F. Spath III
General Counsel
San Diego Housing Commission

I certify that the foregoing actions in this Resolution were approved by the San Diego Housing Commission Board of Commissioners at its meeting on April 6, 2023.

By: 

Scott Marshall
Vice President, Communications &
Government Relations

Approved:



Jeff Davis
Interim President & Chief Executive Officer
San Diego Housing Commission

Passed and adopted by the San Diego Housing Commission on April 6, 2023, and finalized on April 13, pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(1), by the following vote:

	Yeas	Nays	Excused	Not Present
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"/>
Johanna Hester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Kellee Hubbard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Eugene "Mitch" Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Melinda K. Vásquez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

Jeff Davis

Interim 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. 1980 passed and adopted by the San Diego Housing Commission on
April 6, 2023, and finalized on April 13, 2023.

By:



Scott Marshall
Secretary of the San Diego Housing Commission