“Linking Jobs, Housing & Transit for Economic Development: Local and National Perspectives”

New Partners for Smart Growth
San Diego, CA
February 4, 2011

Richard C. Gentry
President & CEO
San Diego Housing Commission
Implemented Private Sector Real Estate Practices

September 2007—San Diego Housing Commission

(SDHC) Transitioned out of Public Housing
  • Sole owner and operator of 150 properties
  • Housing Choice Vouchers to each residence
  • Intent similar to HUD initiative

HUD Mandate
  • Leverage equity in properties
  • Create a minimum of 350 affordable units
  • At or below 80% AMI
  • Remain affordable for at least 55 years

“Transit, Jobs & Housing”
Slide #2
Implemented Finance Plan

SDHC created the Finance Plan
• Approved by SDHC Board - September 2009
• Approved by Housing Authority - October 2009

Utilizing Fannie Mae/FHA as funding sources
• Mortgage a portion of portfolio (78 properties)
• Excluded smaller properties of 1 – 4 units (72 properties)

Withdrew Equity (approximately $95 million)
• 40% of equity - public/private partnership transactions
• 60% of equity - publicly-owned properties (BAB’s)
Goal—Enhance Quality of Life

SDHC Created Partnerships:
• Target workforce & transit oriented affordable housing
• To-date, four projects near transit systems
## Acquisitions to Date

<table>
<thead>
<tr>
<th>Properties</th>
<th>Units</th>
<th>Total SDHC Cost</th>
<th>SDHC Investment Cost/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit-Oriented Properties</td>
<td>341</td>
<td>$26,781,145</td>
<td>$78,537</td>
</tr>
<tr>
<td>Non-Transit Oriented Properties</td>
<td>400</td>
<td>$52,606,000</td>
<td>$131,515</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>741</td>
<td><strong>$79,387,145</strong></td>
<td><strong>$107,135</strong></td>
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</tbody>
</table>
Acquisition: Courtyard Apartments

- Acquisition: Occupied
- Completed: September 2010
- 37 Affordable Units
- SDHC Cost: $7,913,580
- SDHC Cost Per Unit: $213,881

Unit Breakdown:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>No. of Units</th>
<th>% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 br/1 ba</td>
<td>4</td>
<td>80%</td>
</tr>
<tr>
<td>2 br/2 ba</td>
<td>26</td>
<td>80%</td>
</tr>
<tr>
<td>3 br/2 ba</td>
<td>7</td>
<td>80%</td>
</tr>
</tbody>
</table>

Address:
4395 El Cajon Boulevard
San Diego, CA 92105
City Heights (District 3)

- Direct Purchase
- Foreclosed new condominiums
- Retail space on ground floor
- Near bus transit line
New Construction: Estrella del Mercado Apartments

- New Construction
- To Be Completed: September 2012
- 91 Affordable Units and 1 Manager Unit
- SDHC Cost: $7,111,224
- Total Cost: $43 million
- SDHC Cost Per Unit: $78,145
- Partnership: Chelsea Investment Corporation and the City of San Diego Redevelopment Agency (9% Tax Credits)

Unit Breakdown:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>No. of Units</th>
<th>% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 br/1 ba</td>
<td>19</td>
<td>30% - 60%</td>
</tr>
<tr>
<td>2 br/1 ba</td>
<td>40</td>
<td>30% - 60%</td>
</tr>
<tr>
<td>3 br/2 ba</td>
<td>32</td>
<td>30% - 60%</td>
</tr>
</tbody>
</table>

Address:
Two city blocks bordered by Cesar Chavez Parkway
San Diego, CA 92113
Barrio Logan (District 8)

- 311,000 square foot, mixed-use development
- Retail space
- Community’s first major grocery store
- Four and a half miles from downtown
- Near trolley and bus lines
Acquisition: Hotel Sandford

- Acquisition/Rehabilitation (Occupied)
- To Be Completed: March 2012
- 129 Affordable Units and 1 Manager Unit
- SDHC Cost: $6,460,700
- Total Cost: $12 million
- SDHC Cost Per Unit: $50,083
- Partnership: Centre City Development Corporation

Unit Breakdown:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>No. of Units</th>
<th>% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRO</td>
<td>52</td>
<td>45%</td>
</tr>
<tr>
<td>SRO</td>
<td>77</td>
<td>50%</td>
</tr>
</tbody>
</table>

Address:
1301-1333 Fifth Avenue
San Diego, CA 92101
Downtown (District 2)

- Direct Purchase
- Retail space on ground floor
- Preserving Affordable Housing for Senior Citizens
- Downtown, near trolley line
New Construction: Mission Apartments

- New Construction
- To Be Completed: June 2012
- 84 Affordable Units and 1 Manager Unit
- SDHC Cost: $6,026,000
- Total Cost: $25.9 million
- SDHC Cost Per Unit: $71,738
- Partnership: AMCAL Multi-Housing, Inc., and the City of San Diego Redevelopment Agency

Unit Breakdown:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>No. of Units</th>
<th>% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 br/1 ba</td>
<td>79</td>
<td>50% - 60%</td>
</tr>
<tr>
<td>3 br/2 ba</td>
<td>5</td>
<td>50% - 60%</td>
</tr>
</tbody>
</table>

Address:
1815-1875 Hancock Street
San Diego, CA 92110
Mission Hills (District 2)

- Off the Interstate 5
- Two miles from downtown San Diego
- Next to trolley and bus lines
Goal—Enhance Quality of Life

TOD Plan Adopted by SDHC Board:
October 14, 2011

Five Key Strategies:

1. Pursue TOD sites
2. Strengthen Resource Coordination
3. Form & Enhance Creative Partnerships
4. Increase Workforce Linkages & Economic Opportunities
5. Provide Appropriate Oversight & Collect Data to Inform Practice and Measure Success
1. Pursue TOD Sites

- TOD by nature is site and opportunity driven
- Select areas of high priority to other regional and city partners
- Consistency with general and local land use and zoning plans
- Multiple layers of financing and planning
- Develop MOU with transit agency
2. Strengthen Resource Coordination

- Form multi-agency, cross-jurisdictional partnerships
- Align existing resources
- Leverage new state and federal resources
3. Create Partnerships for Strategic Outreach

- **Workforce component**: organizations focused on job training, living wage jobs with benefits, emerging technologies
- **Transit component**: promotion of transit, access and expansion
- **Development component**: community planning groups, business organizations, nonprofit and for profit developers
- **Regional stakeholders**: supporters of smart growth, TOD and affordable housing
4. Increase Workforce Linkages and Economic Opportunities

- Link traditional SDHC programs to the local workforce
- Enhance partnerships beyond real estate development
- Provide mechanisms to insure low-income households have long-term access to new opportunities
5. Provide Oversight and Measure Success

• Provide adequate internal oversight

• Solicit Community Leadership Input

• Form Stakeholder groups for each strategy to:
  - Champion the strategy
  - Review progress
  - Provide feedback for measurable outcomes

• Update and amend work plan where necessary