



SAN DIEGO
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Clairemont Apartments Preserved as Affordable Senior Housing for Additional 55 Years

San Diego Housing Commission Secures Bonds for Newly Renovated Building

San Diego, CA—Sorrento Tower, a 198-unit apartment building in Clairemont, preserves affordable housing for low-income seniors for an additional 55 years under bond financing secured by the San Diego Housing Commission.

“Here at Sorrento Tower, what we’re doing is preserving senior housing for decades to come, while at the same time preserving its affordability as well,” San Diego Housing Commission President and CEO Richard C. Gentry said today at a re-opening ceremony.

Rent protections in the original federally assisted Sorrento Tower mortgage were due to expire by 2016, allowing the property to convert to market-rate rental housing. Instead, the owners sold the building to a new development team under terms that maintained affordable housing.

Susan Host, an eight-year tenant of the apartments whose mother has lived there more than 20 years, said affordable housing has been “a lifesaver” for her. “Had Sorrento Tower not been here, I don’t know where I would have been,” Host said.

The San Diego Housing Commission was instrumental in 2011 in securing \$13.6 million in Multi-Family Revenue Bonds for the new owners to acquire and rehabilitate the Clairemont apartment building, built in 1976.

Sorrento Tower celebrated a grand re-opening today at the apartments located at 2875 Cowley Way.

San Diego Councilmember Lorie Zapf, whose district includes Clairemont, said she was impressed by the results of the renovation. “We are adding to our affordable housing instead of letting them expire, which is terrific,” Zapf said.

The \$6 million renovation included roof replacement, new double-pane windows for energy efficiency, window coverings and carpets, interior and exterior painting, plumbing and electrical repairs, replacing kitchen and bathroom cabinets, road and sidewalk improvements and landscape upgrades.

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Community and social areas on the ground floor also were updated and now include a bingo hall, pool table, computer center and library.

Colin Rice, a partner at C&C Development Group (now the RAHD Group), which purchased Sorrento Tower in 2011 and assembled its development team, said the San Diego Housing Commission and HUD were “cooperative and easy to work with. They held us to very high standards, which the public deserves and the tenant community here deserves.”

Rents are set by the tenants’ household incomes and the type of unit. Under that formula, rents offered include:

- \$335 for 21 one-bedroom units and 8 studio apartments, for households at 50 percent of the area median income, and 3 one-bedroom apartments for households at 60 percent of the area median income.
- \$687 for 31 studio apartments for households receiving HUD Section 8 Assistance Payments, at 50% of the area median income.
- \$810 for 91 studio apartments for Section 8 households at 60% of the area median income.
- \$883 for 43 one-bedroom apartments for Section 8 households at 60% of the area median income.

Frank Riley, director of the HUD San Diego Office, said the federal agency had been “an old partner in this venture” and that the transition to new ownership went well. “It’s almost like a relay race where the baton has been passed and there was no dropping it,” Riley said.

Sorrento Tower consists of 130 studio and 68 one-bedroom apartments.

For more information about the San Diego Housing Commission, visit www.sdhc.org.

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