



SAN DIEGO
HOUSING
COMMISSION

News Release

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**102 -YEAR- OLD HOTEL CHURCHILL NEW HOME FOR
HOMELESS VETERANS,
GRAND REOPENING BY SAN DIEGO HOUSING COMMISSION**

*72 permanent affordable housing studios, including 56 for homeless Veterans—part of
SDHC's The 1,000 Homeless Veterans Initiative*

San Diego, CA — New life for the historical [Hotel Churchill](#), renovated by the San Diego Housing Commission (SDHC), will provide new beginnings for 72 homeless individuals, including Veterans, who will receive unprecedented supportive services on-site from the U.S. Department of Veterans Affairs (VA). ([Watch the video.](#))

For the first time in San Diego County, the VA San Diego Healthcare System is dedicating a full-time clinical social worker to operate outside of their main office to provide supportive services to the 56 Veterans who reside at Hotel Churchill.

One of the Veterans who will benefit is Luis, an 18-year U.S. Navy Veteran, who served in the Gulf War. He became homeless in 2010, two years after he lost his job as an electronics technician, and lived on the streets of La Mesa, Lemon Grove, and near Encanto. From his new furnished affordable rental studio at the Hotel Churchill, Luis has started to look for work in advanced electronics.

“I really feel safe there. I have my privacy that I need. I can cook my own food. I really enjoy it there, and I just want to thank everybody here that’s been involved. It’s a great place to live,” Luis said at the grand reopening ceremony today for Hotel Churchill, and individually thanked each of the elected officials speaking today.

Luis now resides in one of the 72 furnished affordable rental studios created in the renovation of the 102-year-old Hotel Churchill, which was completed by SDHC, working with its nonprofit affiliate, Housing Development Partners (HDP). All of the 72 studios at Hotel Churchill will remain affordable for 65 years.

Of the 72 studios, 56 are set aside for homeless Veterans who are part of SDHC’s [The 1,000 Homeless Veterans Initiative](#) to provide housing opportunities for 1,000 homeless Veterans by March 2017. The Veterans living in Hotel Churchill will be from four branches of the U.S. Military – 22 from the U.S. Navy; eight from the U.S. Marine Corps; 19 from the U.S. Army; and seven from the U.S. Air Force.

“These vulnerable San Diegans now have the opportunity to help turn their lives around at Hotel Churchill. That’s what this is all about—all of us working together to give that helping hand. The preservation of this landmark is an example of what we will continue to do address not just Veteran homelessness, but homelessness across the city,” said Mayor Kevin L. Faulconer, who was among the speakers at today’s ceremony, attended by more than 100 guests.

The Veterans residing at Hotel Churchill have an average age of 58, an average annual income of less than \$10,000, and one third of them have a disability.

“More than 236,000 Vets call San Diego home, but we know that far too many of our nation's heroes struggle to find a stable place to live after they leave the service. Despite the challenge, San Diego takes pride in finding solutions - and Hotel Churchill is a great example of what we can achieve when we all work together,” U.S. Representative Scott Peters said.

In addition to the 56 studios for homeless Veterans, Hotel Churchill includes 8 studios for transitional age youth who are homeless or at risk of homelessness, and 8 units for adults exiting the corrections system.

The renovation of Hotel Churchill kept more than \$12.1 million in Federal funds in San Diego, which are administered by SDHC and funded approximately 59 percent of the \$20.6 million total rehabilitation costs.

“The San Diego Housing Commission and its partners’ commitment to housing our homeless is evident in the completion of the renovation of this beautiful landmark building. The rehabilitation of Hotel Churchill is a breakthrough in San Diego’s efforts to address and combat homelessness,” said U.S. Representative Juan Vargas, 51st Congressional District.

A local historical landmark, [Hotel Churchill](#), located at 827 C Street in Downtown San Diego, is a key component of [HOUSING FIRST – SAN DIEGO](#), SDHC’s three-year Homelessness Action Plan (2014-17), which was announced on November 12, 2014, at Hotel Churchill.

“This strategy is deeply embedded in the best practice that we’ve seen nationally, which says that Housing First is the model for ending homelessness. And we do that by providing housing as quickly as possible, and by providing supportive services as long as needed. I’m often asked, ‘How will we end homelessness in San Diego?’ Ladies and gentleman, this is how we will end homelessness in San Diego,” said San Diego City Councilmember Todd Gloria, whose district includes the East Village neighborhood where Hotel Churchill is located.

The studios at Hotel Churchill that are set aside for transitional age youth who are homeless or at risk of homelessness are also essential.

“San Diego County has about 300 youth that will emancipate in one year from the foster care system, most of them with no support and no system so that they have a nice, healthy future. About half of former foster youth will be homeless just in the first two years after leaving foster care. About half don’t have jobs. That’s why it’s so important that the Hotel Churchill is setting aside eight units that will help some of the most at-risk youth that need services,” said San Diego City Councilmember Lorie Zapf, a former foster youth who actively volunteers for nonprofits that help foster youth, as well as abused and neglected youth.

Hotel Churchill Residents

SDHC has provided 72 Federal Sponsor-Based Housing Vouchers directly to the sponsor, HDP, for rental assistance for Hotel Churchill residents. The monthly rent for a furnished studio at

Hotel Churchill is \$942, which is also the monthly cost of the housing voucher. However, residents will pay up to 30 percent of their income toward rent. The 72 Sponsor-Based Housing Vouchers have an annual value of \$813,888, based on the monthly cost of the voucher.

“In a country and city as great as ours, no one deserves to be homeless. But as a Veteran, I believe every Veteran—whether they served in combat or not—deserves a place to call home. They were there for us. Hotel Churchill is there for them,” said San Diego Housing Commission Chairman of the Board Gary Gramling.

The grand reopening of Hotel Churchill was five years in the making for SDHC.

“Today, we are celebrating a fresh start in the life of the historical Hotel Churchill. This accomplishment embodies everything that the San Diego Housing Commission is about – ‘We’re About People,’” said SDHC President & CEO Richard C. Gentry.

SDHC is one of only 39 public housing agencies, out of 3,400 in the nation, to receive a Federal “Moving to Work” designation from HUD. This designation allows SDHC the flexibility to create innovative, cost-effective ways of providing housing assistance to low-income families, including investing \$9.2 million from MTW funds toward the rehabilitation of Hotel Churchill.

“Southern California is known nationally as the epicenter for many of the issues that the Hotel Churchill will address,” said Marcie Chavez, Director of the U.S. Department of Housing and Urban Development’s Los Angeles Office of Public Housing. “I can tell you that I can always point to agencies like the San Diego Housing Commission that use their Moving to Work status to devise locally-based solutions to problems that are affecting cities across the country.”

In addition to the 56 Veterans, the 16 non-Veteran residents at Hotel Churchill will also receive on-site supportive services.

Pathways Community Services – Catalyst will provide services for the transitional youth, ages 18-25 who have been diagnosed with a serious mental illness and are homeless or at risk of homelessness, and may include former foster youth or youth exiting the corrections system.

Mental Health Systems – Center STAR Assertive Community Treatment (ACT) will serve the adults exiting the corrections system.

Services for non-Veteran residents will be funded by the State Mental Health Services Act, administered by the County of San Diego’s Behavioral Health Services Division.

“By providing Veterans and foster youth with access to affordable, safe housing closer to services, closer to transportation, we will give them a fighting chance to succeed and to thrive,” said San Diego County Supervisor Greg Cox.

The rehabilitation of Hotel Churchill included creating affordable rental studios with an average unit size of 321 square feet, which were reconfigured from approximately 219 square feet. A private bathroom and kitchen were also added to each unit.

There is also one manager's unit on the first floor.

In addition, a private outdoor patio with drought-tolerant plants and seating for residents was added. The basement also includes a conference room, a laundry room, and a common area for residents that features a kitchenette, as well as a television with seating.

“This project also represents a catalyst for new development that will be taking place in this neighborhood, which includes a half-block park that is being planned just across the street, between Eighth and Ninth and C Street, that will help to invigorate and stimulate the area,” said Civic San Diego President & CEO Reese Jarrett.

Hotel Churchill Quake-Ready

The renovation of Hotel Churchill marks the first time that viscous dampers – a seismic retrofit technology commonly used in stadiums and bridges – have been used in a historical renovation in the city of San Diego.

These four viscous dampers are visible throughout the first floor of the Hotel Churchill. Viscous dampers are large, piston-like devices that act similarly to shock absorbers in the event of an earthquake, dissipating seismic energy.

In addition, the seventh floor, which was not part of the original building, was found to be structurally unsafe. It was removed and replaced with a new seventh floor, which has been built to current building code standards.

Historical Landmark

Hotel Churchill was built in 1914, prior to the Panama-California Exposition of 1915-17 in Balboa Park, which celebrated the opening of the Panama Canal. The event showcased San Diego as the first American port-of-call for ships traveling west through the canal.

On November 21, 2003, the City of San Diego Historical Resources Board designated Hotel Churchill a local historical landmark, which required that the historical façade of the building be restored:

- Refurbished 2,000-pound, 1940s-era Hotel Churchill neon rooftop sign
- Original transom windows made of prismatic glass
- Original single-pane windows in the units on residential floors 2-6
- Six Juliet balconies re-created and installed in their original locations

Framed historical postcards are displayed in the lobby. They were sent by Hotel Churchill guests. The lobby desk is also among the antiques that were restored.

Partners

Funding sources for the rehabilitation of Hotel Churchill included Federal, State, and City of San Diego funds, as well as grants from The Home Depot Foundation's Veteran Housing Grants Program for construction costs and Las Patronas for furnishings for Veterans' units.

Joining SDHC President & CEO Richard C. Gentry at the Hotel Churchill grand reopening ceremony today were: San Diego Mayor Kevin L. Faulconer; U.S. Representatives Scott Peters and Juan Vargas; San Diego County Supervisor Greg Cox; San Diego City Councilmembers Todd Gloria and Lorie Zapf; San Diego City Councilmember-Elect Chris Ward; Ryan Williams of the office of U.S. Senator Dianne Feinstein; Marcie Chavez, Director of the U.S. Department of Housing and Urban Development's Los Angeles Office of Public Housing; SDHC Chairman of the Board Gary Gramling, Vice Chair Roberta Spoon, and Commissioners Frank Urtasun, Margaret Davis, and Kellee Hubbard; Civic San Diego President & CEO Reese Jarrett; and Anthony Hajduk of Home Depot. To accommodate the more than 100 guests who attended the grand reopening of Hotel Churchill, the event was held across the street at its sister property, San Diego Square Senior Apartments.

Background:

SDHC acquired Hotel Churchill and the adjoining parking lot on August 16, 2011, through a court settlement in a foreclosure proceeding.

The foreclosure proceeding followed litigation in which SDHC filed a lawsuit against the previous owner for violation of the City of San Diego's Single-Room Occupancy (SRO) ordinance.

A restriction recorded against Hotel Churchill requires that 57 units be maintained as SRO units for a minimum of 30 years.

SDHC took immediate steps to safeguard Hotel Churchill, which had been vacant since 2005 and was in disrepair.

On May 10, 2013, the SDHC Board of Commissioners approved the development plan for the renovation of [Hotel Churchill](#), in partnership with HDP.

The Housing Authority of the City of San Diego unanimously approved the development plan for [Hotel Churchill](#) on June 11, 2013.

U.S. Department of Housing and Urban Development (HUD) [Secretary Julián Castro](#), who toured the Hotel Churchill construction site on October 19, 2015, said the renovation was an "important step" toward the national goal of addressing Veterans homelessness.

Hotel Churchill's 72 affordable rental housing units will remain affordable for 55 years, for homeless individuals with incomes up to 60 percent of Area Median Income (AMI), approximately \$35,700 a year for one person.

For an additional 10 years, the units will be affordable for homeless individuals with incomes up to 80 percent of AMI, approximately \$47,600 a year.

SDHC Funding Partners:

Total rehabilitation cost – \$20,616,367

SDHC Investment:

- **\$9,289,800** – Federal “Moving To Work” Funds, from the U.S. Department of Housing and Urban Development (HUD) administered by SDHC
- **\$2,900,000** – Federal HOME Investment Partnerships Program Funds, awarded by HUD to the City of San Diego (City) and administered by SDHC
- **\$1,322,740** – City Inclusionary Housing Fund, administered by SDHC
- **\$1,003,869** – City Single-Room Occupancy In-Lieu Fees funds, administered by SDHC
- **\$880,000** – City Housing Impact Fees, administered by SDHC

Additional Funding Sources:

- **\$3,000,000** – Civic San Diego loan
- **\$1,800,000** – State Mental Health Services Act program loan, administered by the County of San Diego Behavioral Health Services Division

Grants:

- **\$400,000** – The Home Depot Foundation’s Veteran Housing Grants Program for construction costs
- **\$19,958** – Las Patronas – furnishings for Veterans’ units

For more information, visit www.sdhc.org

Updated 9.20.16 – Video link

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