



SAN DIEGO
HOUSING
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SDHC DOWNTOWN PARTNERSHIP DEVELOPMENT “ATMOSPHERE” WILL CREATE 202 UNITS OF NEW AFFORDABLE HOUSING, INCLUDING APARTMENTS FOR HOMELESS SAN DIEGANS

SDHC is committing 51 federal housing vouchers to provide supportive housing for individuals who are homeless or at risk of homelessness

SAN DIEGO, CA— Atmosphere, a San Diego Housing Commission (SDHC) public-private partnership development, will replace a vacant lot in Downtown San Diego with 202 units of affordable housing for low-income renters, including 51 units of supportive housing to address homelessness.

The 51 supportive housing units will be made up of 31 units for adults with mental illness who are homeless or at risk of homelessness, 10 units for seniors who are homeless or at risk of homelessness, and an additional 10 units for other adults who are homeless or at risk of homelessness.

To provide rental assistance for these units, SDHC is committing 51 federal Project-Based Housing Vouchers with an annual value estimated at \$504,288.

“In a real city, an empty lot is nothing more than a building waiting to be built,” SDHC President & CEO Richard C. Gentry said at a groundbreaking ceremony today at the vacant construction site on Fourth Avenue. “And thank goodness this lot waited long enough for the right kind of building to be put on it.” ([Watch the video.](#))

Developed by Wakeland Housing and Development Corporation (Wakeland), the 12-story [Atmosphere](#) will be restricted to low-, very low- and extremely low-income households. Units will remain affordable for up to 55 years.

The \$79.5 million affordable housing development will consist of 41 studio, 42 one-bedroom, 76 two-bedroom and 46 three-bedroom apartments, including three managers’ units.

San Diego City Councilmember Todd Gloria, whose district includes the Downtown San Diego Cortez neighborhood where Atmosphere is located, said the development will be “an incredible improvement.”

“In all good things involving housing in San Diego, the San Diego Housing Commission is involved,” Gloria said.

Depending on type, units at Atmosphere will be restricted to renters with annual incomes at or below 60 percent of San Diego Area Median Income (AMI), which was \$47,340 for a family of four in 2014, to 30 percent of AMI, which was \$16,600 for an individual in 2014.

“Atmosphere is a unique development,” said Ken Sauder, Wakeland President & CEO. “It addresses a broad spectrum of people who need affordable homes by embracing permanent supportive housing with housing for working families.”

Construction is tentatively scheduled for completion in early 2017.

Reese Jarrett, President of Civic San Diego, called Atmosphere “a prime example of what can happen with public-private partnerships.”

SDHC provided a \$3 million loan to Wakeland for the development of Atmosphere, and authorized the issuance of \$25,687,989 in tax-exempt [multifamily housing revenue bonds](#), issued by the state, toward the \$79.5 million total development cost. The San Diego City Council, sitting as the Housing Authority of the City of San Diego, approved the loan and the bonds.

The SDHC loan consisted of \$2.3 million in U.S. Department of Housing and Urban Development HOME Investment Partnerships Program grants to the City of San Diego, administered by SDHC, and \$700,000 from the City of San Diego’s Inclusionary Housing Fund, administered by SDHC. Additional sources of funding for Atmosphere include: Civic San Diego, which provided an \$11.6 million loan, and \$3,487,066 from the California Housing Finance Agency Mental Health Services Act (MHSA).

Background

Wakeland began working on Atmosphere nearly six years ago; it is the first development approved from the City of San Diego’s Affordable Housing Master Plan. The development site is owned by the City of San Diego.

Preliminary City Council approval on June 4, 2013, ended a lengthy hiatus in progress on the development caused partly by the dissolution of redevelopment agencies in California, a previous source of funding for affordable housing.

For all residents, there will be on-site enrichment services including a services coordinator, workforce development training, and financial literacy workshops. For MHSA tenants, services and tenants’ referrals will be provided by supportive services partners, including Community Research Foundation, Senior Community Centers, St. Paul’s Senior Homes & Services, and PATH San Diego.

Site amenities include approximately 6,800 square feet of indoor common space, 15,000 square feet of outdoor common space, a computer center, a laundry room, two community rooms, and a children’s play area. Street level will include 1,000 square feet of retail space.

For financing purposes, the \$79,593,724 development was structured as two separate projects – Atmosphere I and Atmosphere II – in a single building.

Atmosphere will be a transit-oriented development, three blocks from the San Diego Trolley Fifth Avenue station.

It will be built to LEED Silver standards with photovoltaic panels for common area electrical needs, Low-emissive energy-efficient windows, Energy Star-rated appliances, low water-use landscaping and low-flow water fixtures.

For more information about SDHC, please visit www.sdhc.org.

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