

San Diego City Council

PHONE-IN TESTIMONY PERIOD NOW OPEN FOR **Housing Authority Item 5: Exclusive Negotiating Agreement for** **Property at Famosa and Nimitz Boulevards**

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San Diego Housing Commission (SDHC) Exclusive Negotiating Agreement and Predevelopment Loan for Predevelopment Analysis of Property at the Southeast Corner of Famosa and Nimitz Boulevards

Housing Authority of the City of San Diego Agenda Item #5
December 8, 2020

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Senior Vice President
Development & Portfolio Management
San Diego Housing Commission



SDHC – Property at Famosa & Nimitz Boulevards

Introduction

- The Housing Authority of the City of San Diego owns approximately 5.61 acres of undeveloped land consisting of 12 parcels on the southeast corner of Famosa and Nimitz Boulevards in the Peninsula Community Planning Area.
- The site is zoned RM-2-5 and RM-3-7 suitable for multifamily apartment construction.
- On July 6, 1981, the City of San Diego sold the property to the Housing Authority via resolution No. 254594
 - Resolution specified the property shall be used for the construction of no fewer than 78 low-income rental apartments.



SDHC – Property at Famosa & Nimitz Boulevards Development Feasibility

- December 2017: SDHC retained a consultant to study the property's development potential.
 - Analysis identified various land use constraints.
 - Consultant concluded the property could accommodate multifamily housing construction.
- In May 2019: Same consultant conducted a second and more thorough study of the property.
 - Study included reports from various due diligence engineering disciplines.
 - Second analysis confirmed the property, subject to additional analysis, could reasonably be considered for the development of at least 78 apartments.





SDHC – Property at Famosa & Nimitz Boulevards

Request for Proposals

- August 29, 2019: SDHC issued a Request for Proposals (RFP) for the potential development of high-quality, affordable rental housing on the property.
 - Posted on SDHC’s PlanetBids system
 - 179 notifications sent to registered vendors and firms
 - 24 firms became plan holders
 - Pre-proposal meeting held September 17, 2019, with representatives from two firms in attendance.
- February 27, 2020: RFP closed.
 - 2 proposals received from responsible parties:
 - Bridge Housing Corporation
 - McCormick, Baron and Salazar, Inc.
 - Both responses deemed responsive



SDHC – Property at Famosa & Nimitz Boulevards Request for Proposals (Continued)

- Evaluation Committee scored and ranked the responses to the RFP based on:
 - Project Plan
 - Project Related Experience
 - Strength of Development Team
 - Respondent's Financial Capacity and Capability
 - Due Diligence Budget
 - Funds Requested
 - Proposed Terms.
- August 26, 2020: SDHC received Best & Final Offers from the respondents.
- Evaluation Committee determined that Bridge Housing Corporation's proposal provided the best overall value to SDHC.
 - SDHC entered into discussions and negotiations with Bridge Housing.



SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing’s Preliminary Conceptual Proposal

- Subject to a thorough review by the City of San Diego and the community
- Common for a conceptual proposal to change substantially before it is finalized and potentially approved
- NOT yet a definitive, final proposal
- Potential development of 87 units with a mix of affordability:
 - 40 percent of Area Median Income (AMI): 9 one-bedroom units, 8 two-bedroom units, and 5 three-bedroom units
 - 60 percent of AMI: 14 one-bedroom units, 12 two-bedroom units, and 7 three-bedroom units
 - 80 percent of AMI: 9 one-bedroom units, 7 two-bedroom units, and 6 three-bedroom units
 - 100 percent of AMI: 3 one-bedroom units, 3 two-bedroom units, and 3 three-bedroom units
 - Unrestricted Manager’s Unit: 1 three-bedroom unit



SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- Project concept: Environment, Health & Well Being and Community

Project Concept



A SUSTAINABLE FUTURE

Sustainability is at the forefront of this design proposal. We approached the concept of sustainability with a three-pronged approach that considers the environmental, health and well-being, and community sustainability. We minimized site disturbance and sited all vertical and hardscape elements outside of the sensitive wetland habitat in the Famosa Canyon. Our proposal will eliminate invasive species and rehabilitate the wetland with native plantings. All site runoff will be treated onsite with a generous bioswale also planted with native species.

We took great care to consider the health and well-being of future residents. We consider this to be a basic tenant of long-term livability and sustainability. With long views across the Famosa Canyon, residents can interact with nature in ways that are proven to reduce stress and elevate happiness. Multi-use paths and open space give the residents opportunities for physical exercise and create connections to the greater Point Loma community.

Lastly, our design addresses the concept of community. A sense of belonging and being part of the larger context makes a place inherently more sustainable. The community kitchen, coworking space, and passive gathering spaces represent opportunities for the residents to come together and be part of their community. The multi-use path that cuts through the center of the site insinuates the greater Point Loma Community within the proposed development.





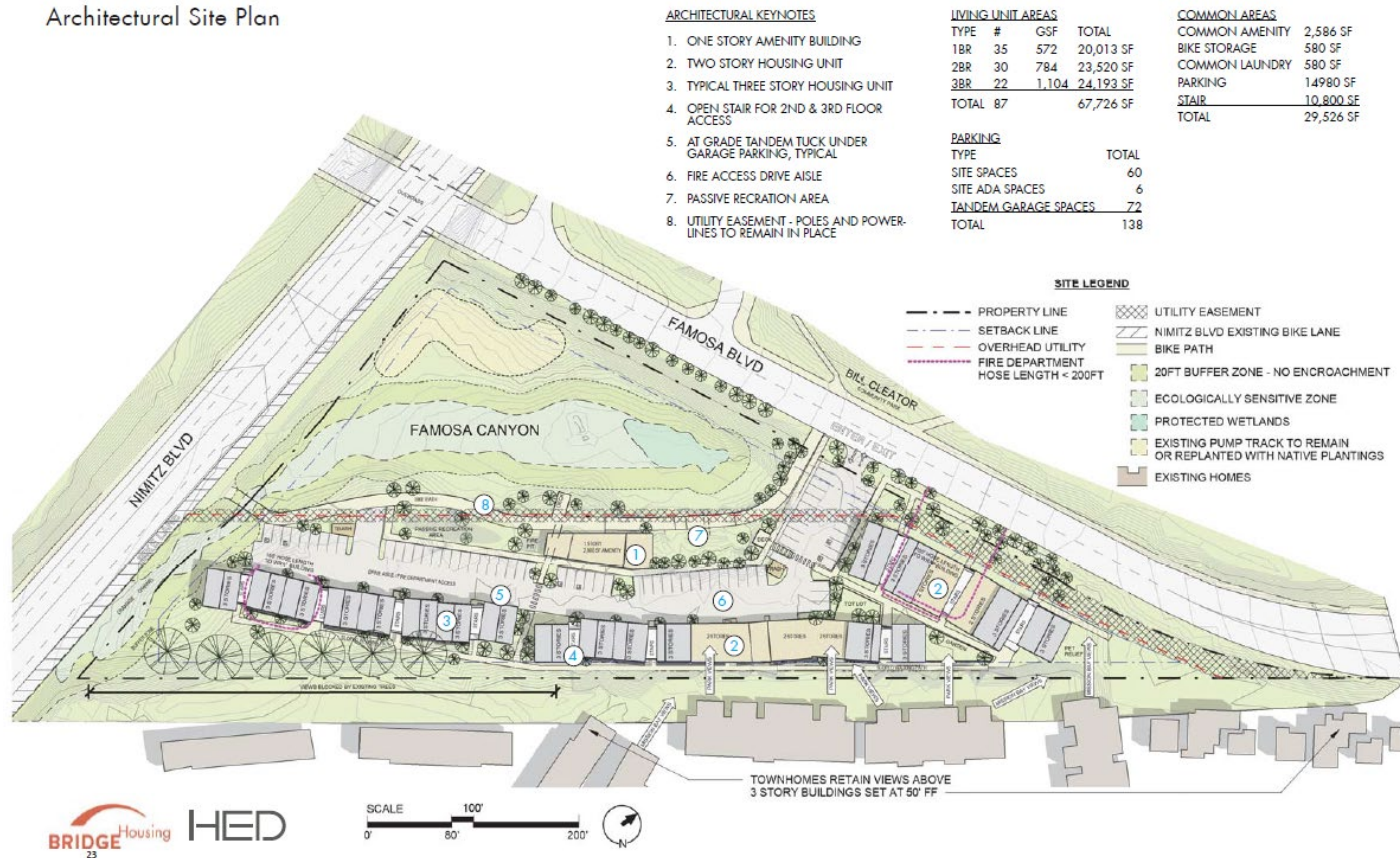
SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- Architectural Site Plan: Entrance on Famosa Boulevard. Buildings facing Famosa Canyon.

Architectural Site Plan





SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- Landscape Site Plan: Using native plants to restore wetlands. Site amenities such as a tot lot, fire pit and picnic areas enhance the community.

Landscape Site Plan



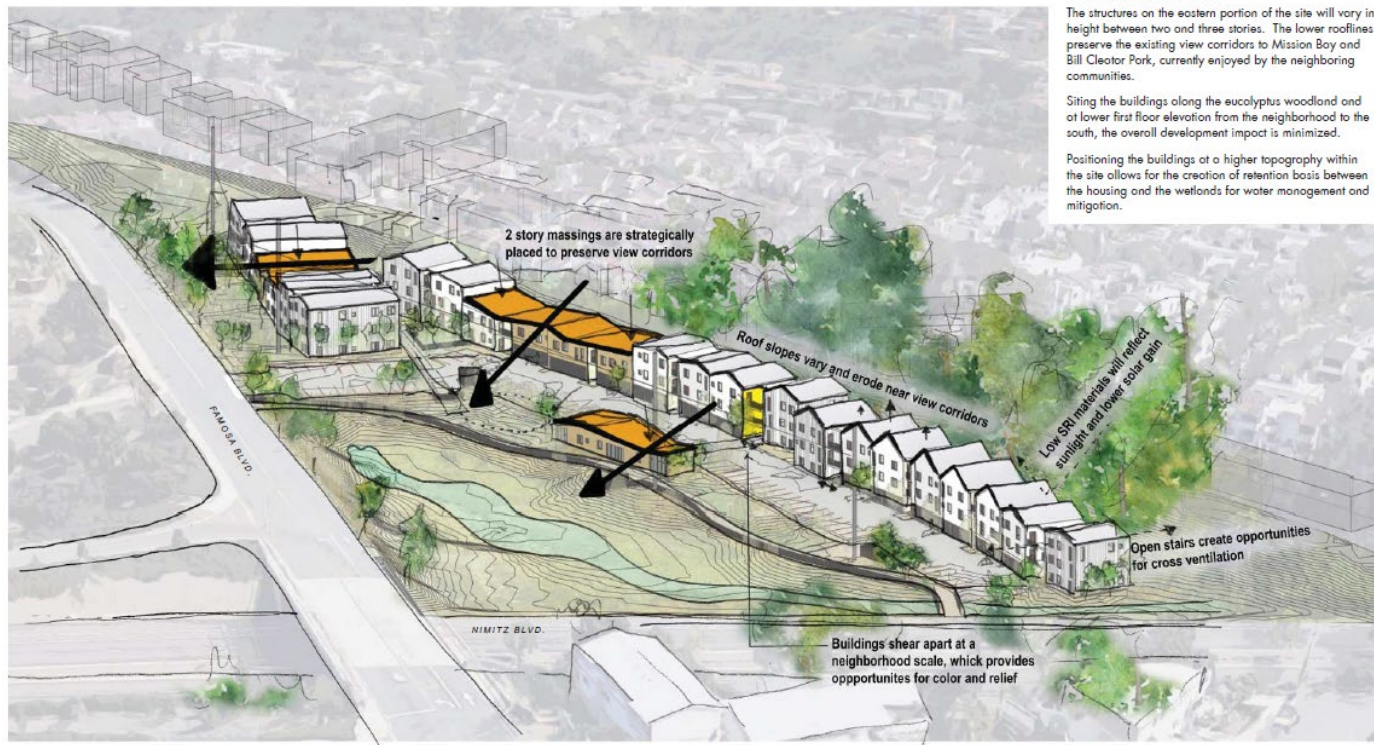


SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal (Continued)

- Lower roof lines preserve the existing view corridors to Mission Bay and Bill Cleator Park

Perspective Views



SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- Public Amenities: Accessible to the Point Loma community



- Striking a balance between preserving open space, protecting sensitive ecosystems while encouraging community connections with paths, bridges and observation decks.



SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- Landscape Character: Reconnecting the Canyon

LANDSCAPE CHARACTER - Reconnecting the Canyon

The open space and restored wetland in the canyon will be highlighted and celebrated with canyon overlook decks and educational plant signage. The landscape design will showcase how planting native plants in urban settings can create inviting outdoor spaces that also support bird and pollinator habitat.

MONARCH GARDENS



An important focus of the landscape design will be to provide habitat for birds and pollinators, and in particular to support the Monarch butterfly. With a decrease in habitat populations by over 90% in the past 20 years, the monarch butterfly faces the threat of future extinction. Through the Mayor's Monarch Pledge program, communities are taking action to save the Monarch Butterfly. Select areas would be designated as Monarch Gardens that would include educational signage and a selection of habitat for both breeding and feeding.

<https://www.nwf.org/MayorsMonarchPledge>

Monarch Garden Sample Plants:

BREEDING PLANT Spring-Summer:



California Milkweed
Asclepias californica

NECTAR FEEDING PLANTS Year round



Common Yarrow
Achillea millefolium

Seaside Daisy
Erigeron glaucus



CANYON PLANTING

A wetland buffer restoration area and the re-vegetated canyon slopes will be visible from the canyon overlook decks. These areas will be planted with local native plants such as Fremont Cottonwood (*Populus fremontii*), Coyote Brush (*Baccharis pilularis*), and Lemonade Berry (*Rhus integrifolia*).



Sample Plants:



Fremont Cottonwood
Populus fremontii

Coyote Brush
Baccharis pilularis

Lemonade Berry
Rhus integrifolia

BIOSWALE PLANTING

If required, on-site rain gardens and bioswales can treat and capture storm water. The landscape will include plants such as low growing ground covers, grasses, and rushes.



Sample Plants:



Field Sedge
Carex proteragialis

San Diego Marsh-welder
Juncus roemerianus

California Orey Rush
Juncus patens

SITE PLANTING

The landscape around the amenity space and new homes will be planted with native plants using hardy varieties, in larger groupings and contemporary patterns. This plant palette will offer a soft and inviting style that celebrates the beauty of the natural landscape.



Sample Plants:



Toyon
Heteromeles arbutifolia

Cleveland Sage
Salvia clevelandii

California Bush Sunflower
Encelia californica

020110209

- The open space and restored wetlands will be highlighted and celebrated with canyon overlook decks and educational plant signage.



SDHC – Property at Famosa & Nimitz Boulevards

Bridge Housing's Preliminary Conceptual Proposal

(Continued)

- On-site Amenities: Accessible to the residents

On Site Amenities - *accessible to the residents*



AMENITIES HUB

The centrally-located resident amenities are designed to support a more walkable and healthy urban experience with the amenities building being at the hub. The central building blurs the lines between nature and the built environment. Glass walls give residents unobstructed views of the canyon while at the community kitchen and lounge. Residents

can also use the space for large-community wide gatherings and smaller more intimate get togethers. The indoor space seamlessly extends outside to an outdoor patio with movable furniture and shade structures.

The canyon overlook patio wraps around the building to an area with a fire pit and barbecue area. Just beyond, there is a passive recreation area ideal for activities such as bocce and corn hole. Another passive recreation area is located on the east side of the building. The small footprint of the amenities package encourages the residents to use the space as an extension of their own home. It is thoughtfully designed to encourage organic social interaction and instill community pride.

The indoor / outdoor community amenities can also be programmed to support the local art events, cooking classes, bicycle repair, and community yoga.

PLAYGROUND

The designated play area is intentionally separate from the amenities hub. The safety and privacy of all our residents is top of mind but it is especially true for our youngest residents. The playground is discreetly sited at a pivot point in the development. Surrounded by two and three-story residences, there will always be "eyes on the playground" keeping the security of the space intact. The playground will feature climbing structures, a water feature, slides, and a rubberized surface. Shade trees and benches will provide respite from the sun. A canyon observation deck, a short walk from the playground, could be used for educational purposes for the children.

HEALTHY PLACES

Pedestrian circulation via multi-use paths and sidewalks encourage the community to be more active and connected with the greater Point Loma community. Outdoor fitness station for adults will be sited in the playground, along the multi-use path, and on the walking trail behind the residences. We want to encourage easy healthy choices through design.

A small community garden sited adjacent to the playground will provide fresh produce for the residents. The garden will bring residents together around a shared goal of producing food that promotes mindful and healthy eating choices.



- Playground, outdoor adult fitness stations and walking trails offer healthy choices through design.



SDHC – Famosa & Nimitz Boulevards Property Site Photos





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SDHC – Famosa & Nimitz Boulevards Property Introduction – Site Map



SDHC – Property at Famosa & Nimitz Boulevards Community Meetings

- June 15, 2017: At the invitation of the Peninsula Community Planning Board (PCPB), SDHC made a presentation to the PCPB about affordable housing, and PCPB approved a letter to then-Councilmember Lorie Zapf and SDHC, supporting development of affordable workforce housing at the property at the southeast corner of Famosa and Nimitz Boulevards.
- May 17, 2018: SDHC staff returned to PCPB to provide a brief summary of progress to date on SDHC's studies of the feasibility of developing affordable housing at the property.
- June 14, 2018: SDHC returned to PCPB for a special meeting, at which SDHC provided a more formal presentation about the property and affordable housing.



SDHC – Property at Famosa & Nimitz Boulevards Community Meetings (Continued)

- June 21, 2018: PCPB sent a letter to then-Councilmember Lorie Zapf and SDHC, rescinding PCPB's previous letter of June 15, 2017.
- July 19, 2018: PCPB sent a letter to then-Councilmember Lorie Zapf, stating that, at this time, PCPB takes no position in support of or opposition to development of the property at the southeast corner of Famosa and Nimitz Boulevards.
- August 28, 2019: PCPB voted to send a letter opposing development on the property at the southeast corner of Famosa and Nimitz Boulevards.



SDHC – Property at Famosa & Nimitz Boulevards

Staff Recommendations

- That the Housing Authority of the City of San Diego take the actions detailed in staff report HAR20-047.
 - Authorize an Exclusive Negotiating Agreement
 - \$910,000 predevelopment loan to Bridge Housing
 - Repaid to SDHC at closing if Bridge Housing acquires the property
 - Deemed repaid if Bridge Housing does not acquire the property and assigns all of its interest in all reports, studies and plans pertaining to the property, subject to any applicable third-party rights in such materials
 - Authorize SDHC’s President & CEO, or designee, to:
 - Execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel
 - Take such actions as are necessary and/or appropriate to implement these approvals





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Questions & Comments



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