



SAN DIEGO
HOUSING
COMMISSION

News Release

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6-FOOT EVERGREEN TOPS OFF NEW AFFORDABLE HOUSING CONSTRUCTION SITE IN DOWNTOWN SAN DIEGO'S EAST VILLAGE

*Tradition commemorates construction milestone for San Diego Housing Commission
affordable housing partnership development; 201 units for homeless
and very low-income renters*

SAN DIEGO, CA—A symbolic evergreen tree today was placed atop the framework for Alpha Square, marking a construction milestone for a [San Diego Housing Commission \(SDHC\)](#) partnership development in Downtown San Diego's East Village that will provide 201 affordable apartments for homeless and very low-income San Diegans.

The 6-foot tree, taken to the top of the building by elevator, is part of an ancient Scandinavian tradition associated with the halfway mark in construction, and represents strength and long life for the development, said Jim Schmid, CEO of Chelsea Investment Corporation, the developer of Alpha Square.

"These units are incredibly important, and it's coming at the right time," said San Diego City Councilmember Todd Gloria, whose district includes Downtown San Diego.

There was a 2.8 percent increase in the number of homeless individuals in San Diego County in the 2015 Point-in-Time Count conducted by the Regional Task Force on the Homeless, compared with the countywide figure for 2014, Councilmember Gloria noted, citing a report released this week.

"Alpha Square is an integral part of [HOUSING FIRST-SAN DIEGO](#), the San Diego Housing Commission's three-year homelessness action plan to create additional affordable housing with supportive services," SDHC President & CEO Richard C. Gentry said.

To provide rental assistance to Alpha Square tenants, SDHC awarded a total of 76 federal Project-Based Housing Vouchers to Alpha Square for permanent supportive housing for formerly homeless men and women. These vouchers have an estimated annual value of \$751,488. The federal government will pay 70 percent of the monthly rent, and the remainder will be paid by the tenant.

When a tenant moves on, the rental assistance will remain with the apartment to help another homeless San Diegan.

The 76 vouchers are among 1,500 federal rental assistance vouchers SDHC has committed to provide housing to homeless individuals and families over the next three years in HOUSING FIRST-SAN DIEGO.

Bob McElroy, president and CEO of Alpha Project for the Homeless, which will provide supportive services at Alpha Square, said prospective tenants “can’t wait to move into their new home.” Construction is running ahead of schedule, with completion now expected this August.

The \$47.6 million development, built with financial assistance from SDHC and the City of San Diego, will provide housing for homeless San Diegans and individuals with special needs who are at risk of homelessness. These apartments will be affordable to renters with incomes at or below 30 percent to 50 percent of San Diego Area Median Income, currently \$17,050 to \$28,350 annually for an individual.

Alpha Square will remain affordable to very low- and extremely low-income renters for 55 years.

SDHC also authorized the issuance of more than [\\$6.2 million in multifamily housing revenue bonds](#), administered by the state, to assist with construction financing. The San Diego City Council, sitting as the Housing Authority of the City of San Diego, approved the bonds.

The City of San Diego also provided a \$17.6 million loan for the construction of Alpha Square and a 70-year ground lease for the land upon which it is being built.

Background

Chelsea Investment Corporation is a partner with SDHC on several affordable housing developments in San Diego, and Alpha Project for the Homeless is a nonprofit organization which operates programs and services for homeless individuals, seniors, and people with special needs.

On-site services will include case management and access to long-term treatment and additional services for all residents through Alpha Project programs and partnerships.

When completed, Alpha Square will be a mixed-use development with more than 5,400 square feet of retail space at the ground level. It is a transit-oriented site, two blocks from the San Diego Trolley’s Park & Market station.

Amenities will include a computer lab, multipurpose room, laundry facilities, a community courtyard and a landscaped rooftop deck and terrace. The building will have 32 underground parking spaces.

Alpha Square will replace [Hotel Metro](#), a nearby single-room occupancy hotel in two buildings on 13th Street, also owned and operated by Alpha Project as transitional housing for homeless individuals.

Alpha Square units will average 260 square feet and will have a full bathroom, cooktop and air conditioning. Hotel Metro rooms are approximately 100 square feet with no kitchens and shared bathrooms and shower rooms on each floor.

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

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