



SAN DIEGO  
HOUSING  
COMMISSION

**News Release**

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## **RIVERWALK APARTMENTS AN AFFORDABLE HOUSING SUCCESS STORY**

*New, Energy-Efficient Apartments Enhance Otay Mesa Community*

**San Diego, CA**— What was once an empty lot and a neglected creek is now an eco-friendly, affordable housing complex, a restored creek and a pedestrian walkway. The Riverwalk Apartments have transformed a blighted area into a 50-unit development crossed by a revitalized Nestor Creek. The San Diego Housing Commission (SDHC) and Affirmed Housing Group partnered to build this much-needed development.

“This is a wonderful affordable housing success story,” said Richard C. Gentry, President and Chief Executive Officer of the San Diego Housing Commission. “In addition to providing energy-efficient housing for 49 families, we have also helped beautify this community.”

Riverwalk was built for low- and very low-income households with combined annual incomes between \$24,550 and \$49,140 for a family of four (30 percent to 60 percent of the Area Median Income). All apartments, excluding one on-site manager unit, will remain affordable for 55 years.

The Housing Commission invested \$4.47 million toward the \$14.1 million project. This included a \$2.275 million loan and \$2.2 million to purchase the land, which was leased to Affirmed Housing Group.

“People are struggling, so we need opportunities for people in the workforce to afford places to live in San Diego,” said Councilman David Alvarez at the Riverwalk Grand Opening. “We are going to have to find every nook and cranny in the city to fit projects. This is a good example, fitting something between an existing community and a creek.”

Affirmed Housing Group obtained the balance of the project’s financing from a \$2.4 million loan from U.S. Bank, a \$1 million grant from the California Tax Credit Allocation Committee, and \$6.3 million in private equity made possible by federal tax credits for low-income housing. In addition to adding much-needed affordable housing, the Riverwalk project has also transformed the area by adding a bridge over Nestor Creek and building a paved trail by the creek, extending a popular walkway.

The apartments were built using energy-saving materials, increasing energy efficiency by more than 15 percent above state standards. In addition, the complex filters rainwater runoff to protect the creek and uses drought-resistant landscaping to conserve water. The community center is outfitted with two types of solar panels—one to heat water and another to generate electricity.

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“Along with the community center, Riverwalk includes a computer learning center, laundry facilities, a tot lot, 90 parking spaces and internet service,” said James Silverwood, President Affirmed Housing Group.

Of the 50 apartments, 14 are one-bedroom, 12 are two-bedroom and 24 are three-bedroom units. Three apartments are handicap accessible, while an additional unit contains features for the visually or hearing impaired.

### **Background**

Riverwalk is one of nine affordable rental housing projects the San Diego Housing Commission is creating through an innovative finance plan, which leverages the equity from existing properties to build additional affordable housing.

In 2007, SDHC entered into an agreement with the U.S. Department of Housing and Urban Development (HUD). The agreement allowed San Diego to end its participation in the federal Public Housing Program and granted SDHC sole ownership and operating authority over 1,366 housing units. The agreement also required SDHC to leverage the equity from these properties to create at least 350 more affordable housing units.

In response, the agency refinanced 33 properties to invest \$95 million in more affordable housing. Combining this additional equity with innovative public-private partnerships, SDHC has created 741 new affordable housing units, far exceeding the 350 required by HUD.

For more information about Riverwalk Apartments, visit [www.sdhc.org](http://www.sdhc.org).

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