

San Diego Housing Commission (SDHC)
Exclusive Negotiating Agreement and Related
Actions Regarding Property at the Southeast
Corner of Famosa and Nimitz Boulevards
Presentation to the SDHC Board of Commissioners
November 13, 2020

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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.



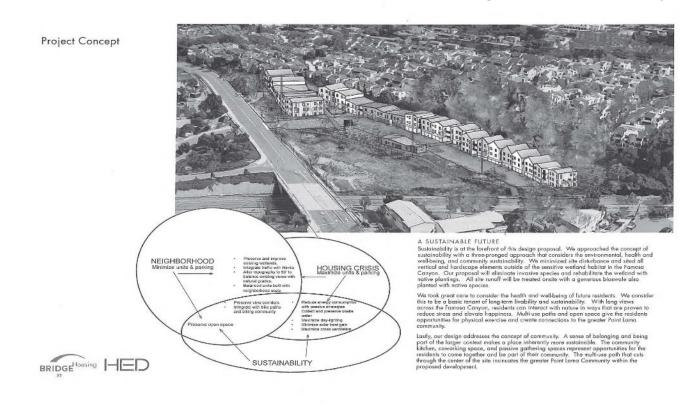


- Subject to a thorough review by the City of San Diego and the community
- Common for a conceptual proposal to change substantially before it is finalized and potentially approved
- NOT yet a definitive, final proposal
- Potential development of 87 units with a mix of affordability:
 - 40 percent of 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





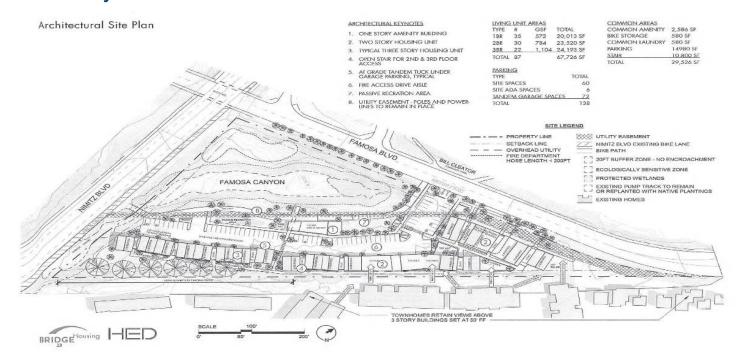
Project concept: Environment, Health & Well Being and Community







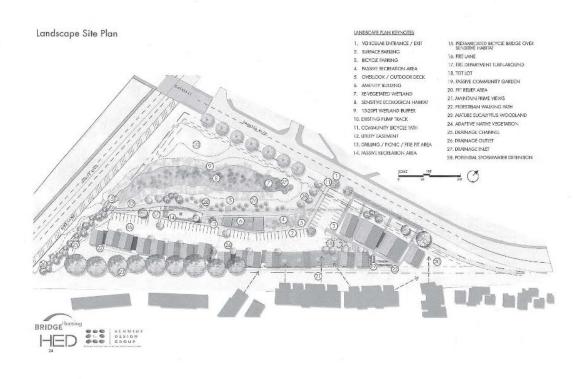
 Architectural Site Plan: Entrance on Famosa Boulevard. Buildings facing Famosa Canyon.







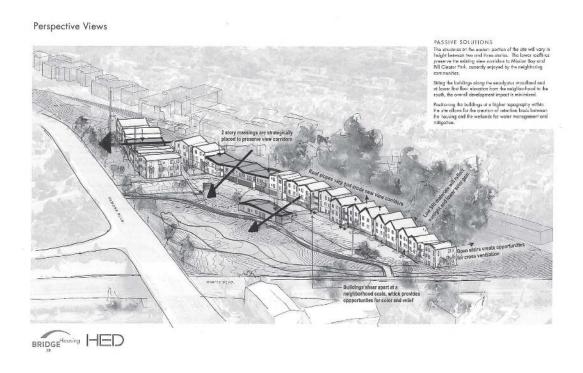
Landscape Site Plan: Using native plants to restore wetlands. Site
amenities such as a tot lot, fire pit and picnic areas enhance the community.







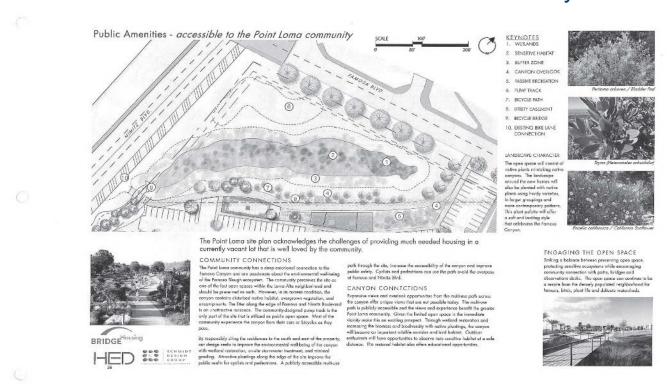
 Lower roof lines preserve the existing view corridors to Mission Bay and Bill Cleator Park







Public Amenities: Accessible to the Point Loma community

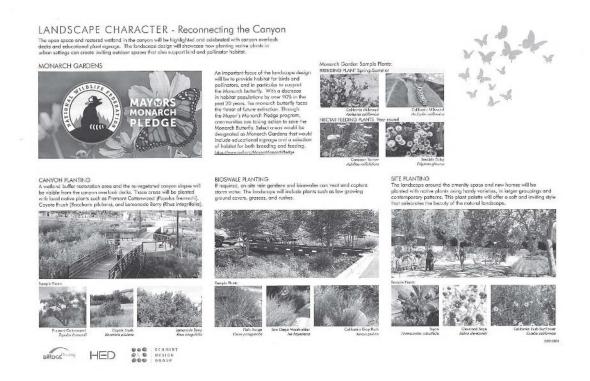


 Striking a balance between preserving open space, protecting sensitive ecosystems while encouraging community connections with paths, bridges and observation decks.





Landscape Character: Reconnecting the Canyon

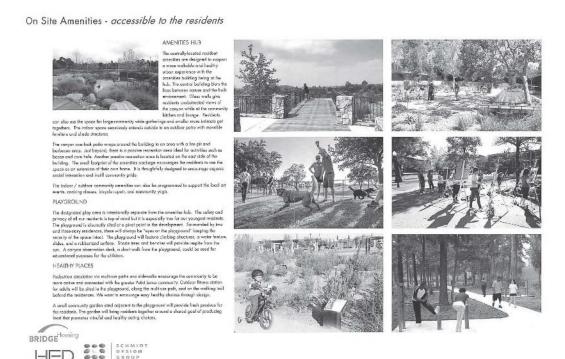


 The open space and restored wetlands will be highlighted and celebrated with canyon overlook decks and educational plant signage.





On-site Amenities: Accessible to the residents



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





SDHC – Famosa & Nimitz Boulevards Property Site Photos







SDHC – Famosa & Nimitz Boulevards Property Introduction – Site Map







SDHC – Property at Famosa & Nimitz Boulevards COMMUNICATION COMMUNICATION

- 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 thenCouncilmember 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 COMMUNICATION 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

- SDHC staff recommends that the SDHC Board of Commissioners recommend that the Housing Authority of the City of San Diego take the actions detailed in staff report HCR20-111.
 - 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
 - Purchase and Sale Agreement
 - \$800,000 purchase price
 - Contingent on satisfactory design, including affordable housing
 - Contingent on receiving all necessary discretionary approvals, entitlements and environmental clearances from the City



Questions & Comments

