



SAN DIEGO  
HOUSING  
COMMISSION

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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 Agenda Item #1

July 13, 2021

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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.
- Per the appraisal from CBRE dated October 11, 2019, the value of the land is \$800,000. The value is reduced due to several site and use constraints, including but not limited to, biological sensitive land and environmental and topographical challenges.



# 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.

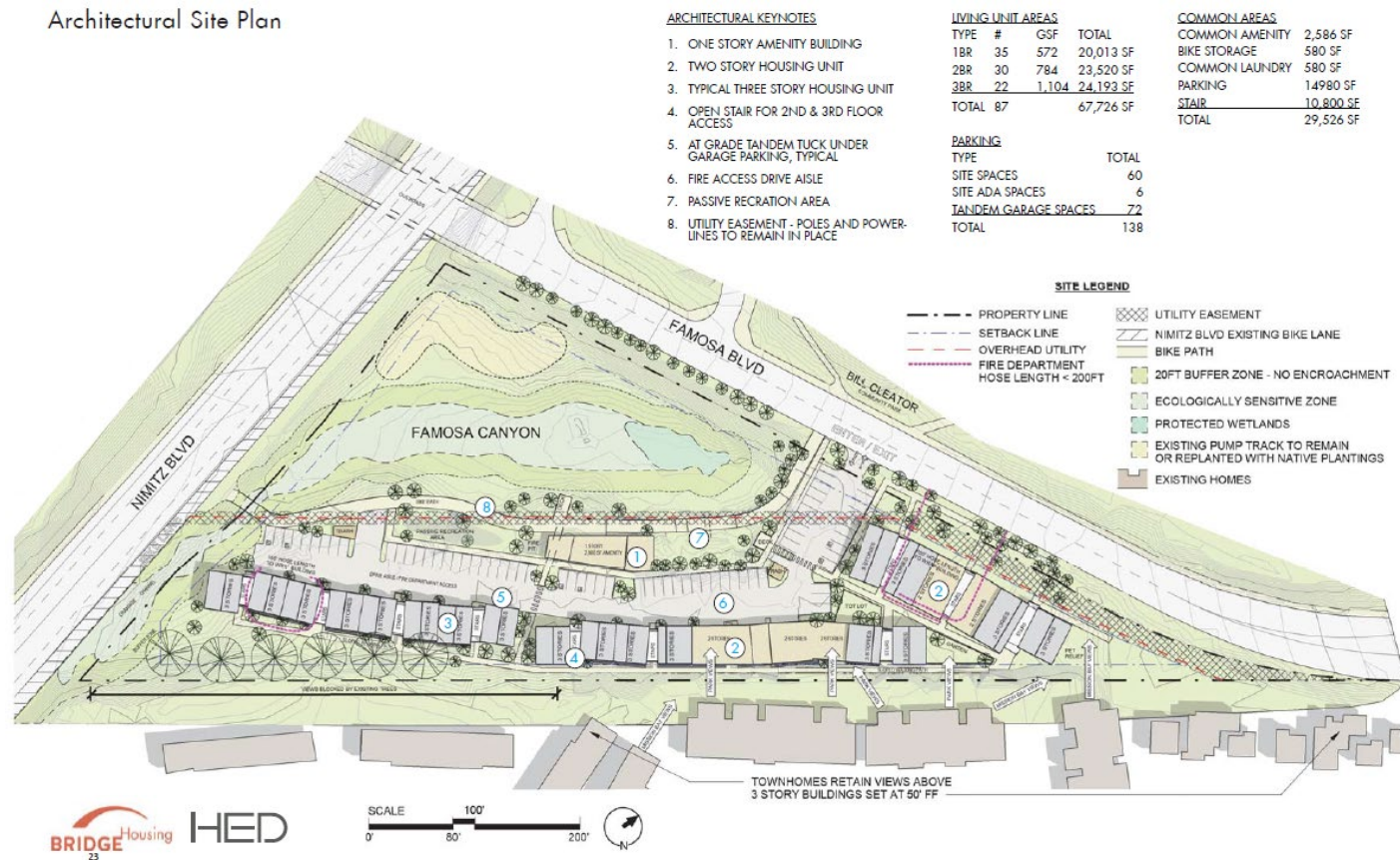


# SDHC – Property at Famosa & Nimitz Boulevards

## 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

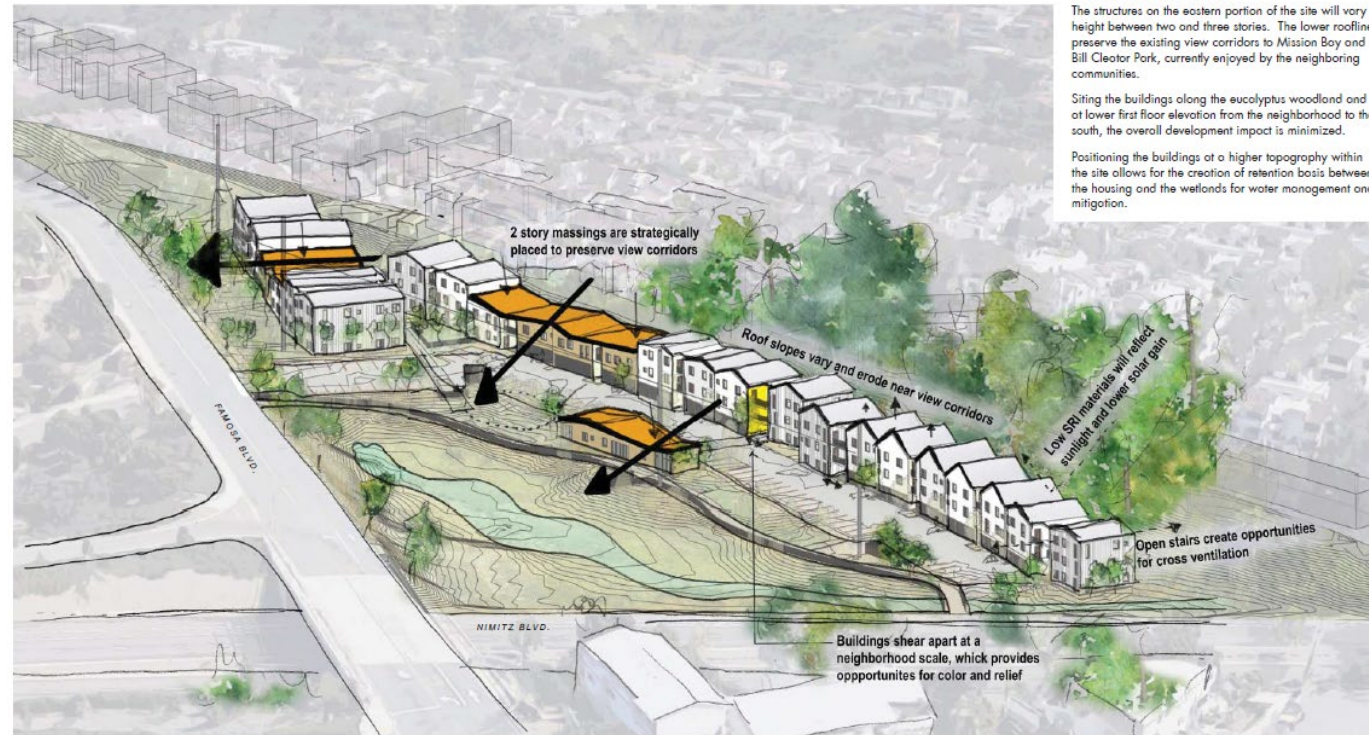


# SDHC – Property at Famosa & Nimitz Boulevards

## Bridge Housing's Preliminary Conceptual Proposal (Continued)

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

Perspective Views



### PASSIVE SOLUTIONS

The structures on the eastern portion of the site will vary in height between two and three stories. The lower rooflines preserve the existing view corridors to Mission Bay and Bill Cleator Park, currently enjoyed by the neighboring communities.

Siting the buildings along the eucalyptus woodland and at lower first floor elevation from the neighborhood to the south, the overall development impact is minimized.

Positioning the buildings at a higher topography within the site allows for the creation of retention basins between the housing and the wetlands for water management and mitigation.





# 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*



Common Yarrow  
*Achillea millefolium*

##### NECTAR FEEDING PLANTS Year round



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 praegracilis*

San Diego Marsh-elder  
*Iva hayesiana*

California Grey 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*

02/1/2020

- 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*



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





# SDHC – Property at Famosa & Nimitz Boulevards

## Site Photos



## SDHC – Property at Famosa & Nimitz Boulevards 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.
- 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.





## SDHC – Property at Famosa & Nimitz Boulevards

### Community Meetings (Continued)

- August 28, 2019: PCPB voted to send a letter opposing development on the property at the southeast corner of Famosa and Nimitz Boulevards.
- February 1, 2021: PCPB sent a letter to SDHC, with copies to Mayor Todd Gloria and City Councilmembers, stating the PCPB's support, on a 7-1 vote, of the Point Loma Recreational Advisory Group's letter of recommendation to the City of San Diego Parks and Recreation Department, advocating for the sale of "Famosa Canyon/Site 428" from SDHC to the City of San Diego Parks and Recreation Department.
- February 19, 2021: PCPB sent a letter to Mayor Gloria and Councilmembers, stating the PCPB's support, on a vote of 8-0, in support of the Parks and Recreation Coalition (PARC) recommendation to the City of San Diego Parks and Recreation Department, advocating to support the improvements to the Parks Master Plan and Recreation Element recommended by PARC. This letter included a statement of the PCPB's request for SDHC's proposed actions regarding the property at the southeast corner of Famosa and Nimitz Boulevard "be placed on the agenda or referred to committee."



## 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





# Questions & Comments

