

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. HC – 1954

DATE OF FINAL PASSAGE July 8, 2022

A RESOLUTION APPROVING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE PROPERTY AT 3737-3747 MIDWAY DR., SAN DIEGO, CA 92110, IN AN AMOUNT NOT TO EXCEED \$11,623,000 AND RELATED ACTIONS

WHEREAS, the Community Action Plan on Homelessness for the City of San Diego, which the San Diego City Council accepted in October 2019, identified the need for an additional 2,659 Permanent Supportive Housing units in the next 10 years for individuals experiencing homelessness in the City of San Diego, with the need for 60 percent of those units (1,595) to be developed within the first four years. In addition, the City Council on February 7, 2022, renewed its declaration of a Shelter Crisis pursuant to Government Code Section 8698, et seq., which is currently operative (Resolution No. R-313888). The Shelter Crisis resolution was enacted to help provide shelter and mitigate the effects of the ongoing housing emergency in the City; and

WHEREAS, the San Diego Housing Commission (Housing Commission) has worked to identify property sites to potentially create affordable housing units to address the shelter crisis; and

WHEREAS, executing a Purchase and Sale Agreement (PSA) is necessary before the Housing Commission can obtain site control to perform required due diligence. Obtaining site control will allow the Housing Commission to initiate extensive due diligence activities to assess items such as zoning, presence of potential environmental hazards, potential hazardous materials, immediate capital needs, pest control, and any immediate needs, including accessibility of the site. The Housing Commission will also obtain appraisals (including peer review appraisal) and market

studies for this site during the due diligence process. This due diligence process will enable the Housing Commission to identify potential risks, if any, associated with purchasing the property and converting it to permanent affordable rental housing; and

WHEREAS, Ramada Inn is a 64-unit building located on an approximately 36,154-square-foot site at 3737-3747 Midway Dr. in the Midway District of Central San Diego, The property was built in 1958 and is “U” shaped, with a central courtyard area used for parking. It is currently used for short-term rentals. The building is contained within one, two-story structure that consists of 64 rooms equipped with private bathrooms; the rooms currently do not have cooking facilities. One unit is designated as the manager’s unit;

WHEREAS, the Housing Commission intends to execute a PSA with the Seller under the PSA terms described more particularly in Report No. HCR22-096, including Attachment 4, the draft PSA; and

WHEREAS, the purchase of the property is explicitly contingent upon the approval by the Housing Commission Board of Commissioners and the Housing Authority of the City of San Diego; NOW THEREFORE,

BE IT RESOLVED by the Housing Commission Board of Commissioners that:

- 1) The Housing Commission’s President and Chief Executive Officer (President & CEO), or designee, is authorized to execute the PSA by and between the Housing Commission and Anjali Enterprises, LLC (Seller), with a purchase price not to exceed \$11,623,000 for the property located at 3737-3747 Midway Dr., San Diego, CA 92110.
- 2) An Earnest Money Deposit not to exceed \$100,000, as detailed in staff Report No. HCR22-096, is authorized.
- 3) The commencement of Due Diligence and a Due Diligence budget not to exceed \$250,000, as set forth in staff Report No. HCR22-096, is authorized.

- 4) The Housing Commission's President & CEO, or designee, is authorized to substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability.
- 5) The Housing Commission's President & CEO, or designee, is authorized to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals upon the advice of General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

BE IT FURTHER RESOLVED that the proposed activities set forth in Housing Commission Report No. HCR22-096 are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines because Ramada Inn is an existing facility and the proposed activities do not involve expansion of the existing use(s). Federal funds constitute a portion of the funding for these activities. The parties agree that the provision of any federal funds as the result of this action is conditioned on the City of San Diego's final NEPA review and approval.

Approved as to Form  
Christensen & Spath

DocuSigned by:

By Charles B. Christensen

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Charles B. Christensen  
General Counsel  
San Diego Housing Commission

I certify that the foregoing actions in this Resolution were approved by the San Diego Housing Commission Board of Commissioners at its meeting on July 8, 2022.

DocuSigned by:

By Scott Marshall

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Scott Marshall  
Vice President, Communications  
& Government Relations

Approved: July 20, 2022

DocuSigned by:

Jeff Davis

EE194070B0476  
Jeff Davis  
Interim President & Chief Executive Officer  
San Diego Housing Commission

Passed and adopted by the San Diego Housing Commission on July 8, 2022, and finalized on July 15, 2022, pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(1), by the following vote:

	<b>Yeas</b>	<b>Nays</b>	<b>Excused</b>	<b>Not Present</b>
Stefanie Benvenuto	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ryan Clumpner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Melinda K. Vásquez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johanna Hester	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kellee Hubbard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Eugene “Mitch” Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**AUTHENTICATED BY:**

**Jeff Davis**

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Interim President & Chief Executive Officer of the  
San Diego Housing Commission [seal]

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of  
RESOLUTION NO. 1954 passed and adopted by the San Diego Housing Commission on  
July 8, 2022, and finalized on July 15, 2022.

DocuSigned by:  
By: Scott Marshall  
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**Scott Marshall**  
Secretary of the San Diego Housing Commission