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HOUSING
COMMISSION

We're About People

San Diego Housing Commission (SDHC)
Budget Amendment for State Homekey Funds for
PATH Villas El Cerrito Phase 1 Development
Housing Authority of the City of San Diego Agenda Item #2
January 10, 2023

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SDHC – Budget Amendment for Homekey-funded Development

Introduction

- Statewide: \$1.45 billion to sustain and rapidly expand the inventory of housing for people experiencing homelessness or at risk of homelessness and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases
- September 9, 2021: State issued Notice of Funding Availability (NOFA)
- September 30, 2021: State application released
- Eligible uses:
 - Acquisition or rehabilitation of hotels, apartments or homes to be converted into permanent or interim housing
 - Conversion of nonresidential properties into residential units
 - New construction
 - Master leasing of properties for non-congregate housing
 - Purchase of affordability covenants and restrictions for units
 - Relocation costs for individuals being displaced as a result of the Homekey project
 - Capitalized operating subsidies for units purchased, converted, constructed, or altered





SDHC – Budget Amendment for Homekey-funded Development Funding Award

- Joint application for Homekey funds
 - SDHC
 - County of San Diego
 - PATH Ventures
- August 24, 2022: Governor Gavin Newsom, Mayor Todd Gloria and County Board of Supervisors Chair Nathan Fletcher announced the state awarded \$11,825,000 in Homekey funds to partially finance PATH Villas El Cerrito Phase 1, a partnership among:
 - PATH Ventures
 - Family Health Centers of San Diego
 - Bold Communities



SDHC – Budget Amendment for Homekey-funded Development

PATH Villas El Cerrito Phase 1

- 5476 El Cajon Boulevard, San Diego, CA 92115
 - Council District 9
 - El Cerrito neighborhood
- 40 affordable rental housing units and one manager's unit
 - 5 Studios
 - 17 One-bedroom units
 - 19 Two-bedroom units, including manager's unit
- Prefabricated, container-based housing
 - Five levels for housing
 - Directly above five-story podium and ground floor health clinic to be operated by Family Health Centers of San Diego



Artist's Rendering



SDHC – Budget Amendment for Homekey-funded Development PATH Villas El Cerrito Phase 1 (Continued)

- Populations served:
 - Individuals experiencing chronic homelessness
 - Individuals experiencing homelessness with serious mental illness
 - Veterans experiencing chronic homelessness
 - Families experiencing homelessness
 - Households with income under 30 percent of San Diego’s Area Median Income (AMI)
- Residents identified through referrals from the Coordinated Entry System
- SDHC awarded 40 rental housing vouchers to help residents pay rent:
 - 35 Project-Based Housing Vouchers
 - 5 Veterans Affairs Supportive Housing vouchers



Artist's Renderings





SDHC – Budget Amendment for Homekey-funded Development PATH Villas El Cerrito Phase 1 (Continued)

Supportive Services

- People Assisting the Homeless (PATH):
 - Outreach and engagement
 - Case management
 - Help accessing government benefits programs
 - Employment and education (in collaboration with additional partners)
 - Veteran services
- Family Health Centers of San Diego
 - Medical care, including mental health counseling (in collaboration with additional partners)
 - Substance use treatment (in collaboration with additional partners)
- Additional services
 - Life skills
 - Legal aid





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SDHC – Budget Amendment for Homekey-funded Development PATH Villas El Cerrito Phase 1 (Continued)

Unit Interiors – Artist’s Renderings





SDHC – Budget Amendment for Homekey-funded Development PATH Villas El Cerrito Phase 1 – Financing

Source	Amount	Per Unit		Use	Amount
Permanent Loan	2,968,410	72,400		Acquisition	1,370,000
State HCD - Homekey	11,825,000	288,415		Hard Costs	15,257,315
City PLHA - EDD	2,050,000	50,000		Soft Costs (less Reserves)	5,584,894
County	6,470,367	157,814		Reserves	858,438
				Developer Fee	1,101,568
Total	23,313,777	568,629		Total	23,313,777
SDHC	40 PBV				



SDHC – Budget Amendment for Homekey-funded Development Staff Recommendations

That the Housing Authority of the City of San Diego take the following actions:

- 1) Authorize SDHC to amend its Fiscal Year 2023 budget in the amount of \$11,825,000 in State of California Homekey Program funds and to expend these funds to support the proposed development of PATH Villas El Cerrito Phase 1 at 5476 El Cajon Blvd., San Diego, CA 92115 in Council District 9, which will consist of 40 affordable rental housing units for people experiencing homelessness with income up to 30 percent of San Diego's Area Median Income and one unrestricted manager's unit.
- 2) Authorize SDHC's President and Chief Executive Officer (President & CEO), or designee, 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. SDHC staff will notify the Housing Authority and City Attorney's Office about any subsequent amendments or modifications to the documents, including amendments to any documents.



Questions & Comments

