



SAN DIEGO
HOUSING
COMMISSION

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CONTACT:

Mayor: MayorPress@saniego.gov

City Council: ChanCN@saniego.gov

County: griselda.ramirez2@sdcounty.ca.gov

Housing Commission: scottm@sdhc.org

State Awards \$20.75 Million in Homekey Funds to San Diego

FUNDING WILL SUPPORT CREATION OF 75 AFFORDABLE APARTMENTS FOR PEOPLE EXPERIENCING HOMELESSNESS

SAN DIEGO — To support ongoing, collaborative efforts to create additional permanent affordable homes with supportive services for people experiencing homelessness in the City of San Diego, the State of California has awarded \$20.75 million in Homekey program funds for two San Diego projects. Applications for additional funds for San Diego are still pending a State decision.

“Outreach and shelter are critical components of our efforts to address homelessness, but what truly will solve this crisis is housing. That’s why this Homekey funding is crucial to our progress in meeting our city’s top challenge,” Mayor Todd Gloria said. “I’m grateful to Governor Newsom and our partners at the county and state for helping us put a roof over people’s heads with supportive services to permanently end their homelessness.”

The State awarded these Homekey funds to the San Diego Housing Commission (SDHC) for projects that will produce 75 new affordable rental housing units with supportive services at properties in City Council District 2. All of these units would serve people experiencing homelessness.

“The evidence could not be clearer. Housing ends homelessness — specifically homes with support services that meet the unique needs of people experiencing homelessness,” said Council President Sean Elo-Rivera. “This Homekey funding will allow us to rapidly transform the lives of 75 of San Diego’s most vulnerable residents. I am deeply appreciative of Governor Newsom’s innovative Homekey initiative, our partnership with the County of San Diego led by Chair Vargas, and for the hard work of Housing Commission staff to develop an

application that rose to the top of a very competitive process. This is a huge win for San Diego.”

“We know that housing ends homelessness, and the state’s Homekey program is a solution that works. It’s the collaborative effort between the state, county, and the city that will resolve homelessness in San Diego. The Homekey funds awarded to the San Diego Housing Commission by Governor Gavin Newsom will renovate two properties in District 2 that will give homeless individuals a clean and safe place to live,” said Councilmember Jennifer Campbell, who represents communities in District 2.

The County of San Diego Board of Supervisors has [also approved funding](#) to support these projects.

“San Diego County is committed to supporting equitable and sustainable solutions for our region’s unsheltered population. Through strong and collaborative partnerships with partners like the City of San Diego, and the San Diego Housing Commission, we can continue strategizing viable solutions for our unsheltered community,” said Nora Vargas, Chairwoman of the San Diego County Board of Supervisors. “Prioritizing housing and vital services like mental health and access to food assistance, we can keep our families, seniors, and veterans under a roof.”

The State awarded \$16.85 million for SDHC’s proposed purchase and rehabilitation of the Ramada Inn at [3737-3747 Midway Drive](#) in the Midway Community to create 62 affordable single-room occupancy (SRO) units, to be known as Pacific Village. An additional \$3.9 million from the State will support SDHC’s collaboration with Wakeland Housing and Development Corporation to rehabilitate a vacant multifamily housing property at [2147 Abbott Street](#) in Ocean Beach to create 13 affordable housing units.

SDHC has committed rental housing vouchers to help residents pay their rent at both properties when they are completed. Residents would receive access to supportive services, such as primary health care, mental and behavioral health care, and other community-based programs to best meet a resident’s individual needs.

Many organizations submitted letters in support of all of SDHC’s Homekey applications, including the Asian Business Association of San Diego; California Restaurant Association’s San Diego County Chapter; East Village Association; Downtown San Diego Partnership; Forever Balboa Park; Little Italy Association; Lucky Duck Foundation; San Diego Black American Policy Association Foundation; San Diego Food Bank; San Diego Padres; and San Diego Regional Chamber of Commerce.

SDHC will request approval from the San Diego City Council, sitting as the Housing Authority of the City of San Diego, to accept and expend the funds for the purchase and rehabilitation of these properties before proceeding.

Project Homekey provides an opportunity to bring badly needed housing online faster and cheaper than traditional new-construction affordable housing. Thanks to funding and regulatory streamlining from the Homekey program, San Diego has a unique opportunity to get people out of encampments and shelters and into permanent homes in months rather than years, and for as much as several hundreds of thousands of dollars less, per door. In some cases, the cost of new construction in San Diego has exceeded \$675,000 per door. Homekey requires rehabilitation and occupancy to occur by a little more than a year at the latest; new housing can take three or more years to complete.

SDHC also has applied for \$63.5 million through a statewide competition for the current round of limited Homekey funding for the proposed purchase and rehabilitation of two additional properties that would produce 266 affordable housing units:

- \$28.5 million for [3860 Murphy Canyon Road](#) in Kearny Mesa, which would create 105 affordable SRO units with supportive services, to be known as Willow Canyon.
- \$35 million [2087 Hotel Circle South](#) in Mission Valley, which would create 161 affordable SRO units with supportive services, to be known as Presidio Palms.

The State's decision on those Homekey applications is expected by the end of the year.

San Diego has received more than \$49.5 million from the Homekey program in previous rounds of funding to create 372 affordable rental apartments.

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