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City of San Diego to Transform Old Serra Mesa Library into Affordable Housing for Veterans and Families

PROJECT WILL MOVE FORWARD FOLLOWING CITY COUNCIL APPROVAL OF GROUND LEASE AND CONSTRUCTION OF 60 HOMES

SAN DIEGO – As part of Mayor Todd Gloria's <u>Homes for All of Us</u> initiative to provide housing for San Diegans of all income levels, the City of San Diego is entering into a long-term ground lease with a nonprofit developer to convert the vacant old Serra Mesa Library site into 100% affordable housing. Half of these homes will prioritize military veterans and include supportive services for veterans experiencing or at risk of homelessness.

Today, the City Council voted to allow Community HousingWorks to enter into a 65-year lease and turn the 0.34-acre lot located at 3440 Sandrock Road into 59 affordable homes, including 56 one-bedroom homes and three two-bedroom homes. There will also be one unrestricted two-bedroom manager unit.

These homes, known as the Serra Mesa Apartments, will be restricted for 55 years to households earning between 30 and 60% of the area median income (AMI). Those in that range are considered most at risk of experiencing homelessness. Thirty of these homes will prioritize veterans.

"Serra Mesa Apartments is precisely the type of project my policies are designed to incentivize — affordable housing on underused public land, in high-resource neighborhoods with easy access to quality jobs, transit, schools, and essential services," said Mayor Todd Gloria. "This project demonstrates our commitment to ensuring lower-income families and our veterans can afford to live in communities that provide the opportunities and stability they deserve."

A ground lease means the City will retain ownership, but the developer will construct the housing and share revenue with the City. Once the lease expires, the developer will turn the improvements back over to the City.

"The transformation of the old Serra Mesa Library into 59 affordable homes is a positive step that will provide housing to those who desperately need it in order to stay off the street," said District 7 Councilmember Raul Campillo. "Those who served our country should never have to worry about having a safe place to call home. Thank you to all community members who offered input

on this project and to Community HousingWorks for carefully considering and speaking to community concerns when this project came to committee."

The property will include 22 parking spaces, a lobby and community room spaces, a computer lab, laundry facilities, leasing offices, a case management and resident services area, bike parking and a second-story courtyard furnished with seating, trees and greenery. If and when Community HousingWorks closes on financing, they expect construction to be completed within 26 months.

"This is a great opportunity to activate a vacant community space into much-needed affordable housing while serving those to have willingly served our nation," said Economic Development Director Christina Bibler. "These new homes and their central proximity in Serra Mesa will enjoy the convenience of access to public transit, grocery stores, pharmacies, schools and community parks."

The former library closed in 2006 when the new Serra Mesa-Kearny Mesa Branch Library opened on Aero Drive. The building was then used for storage until 2019. In 2020, the City issued a request for proposals, inviting organizations or individuals to apply to enter into a lease and develop and operate the property for permanent supportive housing and supportive services.

To help get the project off the ground, the City Council also approved a \$4 million Bridge to Home loan on Monday. Under the Bridge to Home program, the City invests directly in affordable housing projects to help builders complete their financing.

During the meeting, the City Council also approved a \$3.1 million Bridge to Home loan for another project, the Navajo Family Apartments. This project will bring an additional 44 apartments to households earning 60% AMI or less. Eleven of the units will be set aside for persons with special needs with intellectual or developmental disabilities.

With the approval of both the Serra Mesa Apartments and the Navajo Family Apartments today, a total of 17 projects have received Bridge to Home funding since Mayor Todd Gloria launched the program in 2021. These projects total 1,353 affordable homes, and six more projects will be presented to City Council this year.

Before today, the latest project to receive Bridge to Home funding was The Grant at Mission Trails, approved by City Council on Feb. 25. This project received \$2.5 million in Bridge to Home funding and will include 47 affordable homes, plus one manager's apartment. Fourteen of these homes will be reserved for persons experiencing homelessness or at risk of homelessness.

