

FOR IMMEDIATE RELEASE
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City of San Diego Approves Next Step for Affordable Housing at 107 Ash Street

DEVELOPMENT TEAM FINALIZING FINANCING TO MOVE APPROXIMATELY 250 AFFORDABLE HOMES INTO CONSTRUCTION

SAN DIEGO – The transformation of the long-vacant building at [107 Ash St.](#), formerly known as 101 Ash, into approximately 250 affordable homes took another important step forward with the San Diego City Council approving amendments to the project's ground lease agreement. The development team is now working to finalize financing ahead of closing and construction.

The City will retain ownership of the property throughout the 65-year ground lease. Under the agreement with 101 Ash Venture LP, the City will accrue interest on the value of the building at 5% annually and receive ground rent and other payments during the lease term.

Amendments approved yesterday align the lease agreement with the project's final financing plan, including an extension of the ground lease from 60 to 65 years. The extension supports the project's tax credit financing structure and ensures the approximately 250 homes remain affordable for the full 65-year term.

The development will offer studio, one-, two- and three-bedroom homes to accommodate a range of household sizes. These income-restricted affordable homes are intended for households earning between 30% and 80% of the area median income.

"After years of sitting vacant, 107 Ash is finally moving toward a new future, one that delivers more homes, deeper affordability and long-term value for the City," said Economic Development Department Director Christina Bibler. **"With financing secured, permits issued and closing on the horizon, this key step helps clear the path for construction while ensuring this property remains a lasting public asset that will serve San Diego residents for generations."**

In anticipation of the site's redevelopment, the property's official address has changed from 101 Ash to 107 Ash. In addition to the income-restricted units, the project will activate the property with approximately 25,000 square feet of commercial space and a 4,000-square-foot childcare center for children ages 0 to 5.

101 Ash Venture LP will lease the property in its existing as-is condition and will be responsible for all costs and work associated with the redevelopment, including environmental requirements, design, entitlements, construction, maintenance and operations. The City will retain ownership of the land and will receive the fully improved building at the end of the 65-year term.



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