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Date: November 17, 2021
Contact: Alex Traverso
916.820.1269
Alex.Traverso@hcd.ca.gov

California Begins Search for Developer to Build Mixed-Use Community in Downtown San Diego Location under Newsom Executive Order

Developers invited to submit qualifications with focus on housing affordability, sustainability, innovation

SACRAMENTO – The State today issued a Request for Qualifications for developers capable of redeveloping a state-owned site consisting of two city blocks in Downtown San Diego into a mixed-use community. Located in close proximity to the waterfront, Amtrak station, and San Diego International Airport - which is the future Phase 2 high speed rail terminus - the development will likely become a model for sustainable transportation and land use investments for other excess sites.

The 2.7-acre site located at 1350 Front Street is available because of a 2019 Executive Order signed by Governor Gavin Newsom to address the housing affordability crisis. Governor Newsom ordered the Department of General Services (DGS) and the Department of Housing and Community Development (HCD) to identify and prioritize excess state-owned property, enter into low-cost long-term ground lease agreements with housing developers and accelerate affordable housing development on prioritized properties for public benefit.

“In partnership with local governments and affordable housing developers, the state is rolling out a variety of solutions to increase access to affordable homes for low-income Californians and people experiencing homelessness,” HCD Director Gustavo Velasquez said. “The excess sites executive order helps remove barriers to delivering housing more quickly, and we hope to see highly innovative, cost-effective ideas for this prime location in San Diego that can be replicable throughout the state.”

HCD and DGS will score qualifying developers based on how well they will do in meeting goals of housing affordability, community development, sustainability, equity, innovation and feasibility.

The San Diego site provides an opportunity to either adaptively reuse the existing office building and construct new housing on the largely vacant adjacent lot or demolish the office building and construct on both lots. The State is interested in the adaptive reuse concept, but if additional housing could be more feasibly developed under one scenario over the other, that would be preferable.

Respondents are encouraged to consider San Diego Mayor Todd Gloria’s Homes For All of Us, a major package of initiatives aimed at producing more homes across the City that residents of all income levels can afford.

“The City of San Diego is proud to partner with the State of California to ensure we are doing everything we can to leverage public lands to tackle our housing crisis head on. The two blocks being
offered up today present a once-in-a-generation opportunity to build a significant number of homes San Diego families can afford,” said Mayor Todd Gloria, who authored Assembly Bill 1164 to designate this land as surplus and allow this process to occur. “I thank Governor Newsom for his leadership and look forward to working with the State and the chosen developer to reimagine this important piece of real estate.”

Developers interested in learning more and potentially submitting proposals must attend the mandatory pre-submittal meeting about the site on December 7. Responses to the Request for Qualifications are due February 3. Interested parties can review more information at Executive Order N-06-19 Affordable Housing Development (ca.gov).

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The California Department of Housing and Community Development is dedicated to the preservation and expansion of safe and affordable housing, so more Californians have a place to call home. Our team works to ensure an adequate supply of housing for Californians and promotes the growth of strong communities through its leadership, policy and program development. For more information, please visit www.hcd.ca.gov and follow us on Twitter, @California_HCD; Facebook, @CaliforniaHCD; and LinkedIn.