



St. Paul's Manor Renovations

ORGANIZATIONAL OVERVIEW

Since 1960, St. Paul's Senior Services has been a leader of innovative and affordable care for extremely low-, low- and moderate-income seniors in San Diego. Through the generous support of individuals, businesses and granting organizations, St. Paul's has developed a comprehensive range of programs and services that include:

- **St. Paul's Manor** – an independent living community affordably priced for seniors of modest means.
- **St. Paul's Villa** – an assisted living community that also provides memory care, hospice and respite, short-term stays.
- **John A. McColl Family Health Center** – a community providing skilled nursing, rehabilitation and hospice care.
- **St. Paul's Plaza** – An independent, assisted living and memory care community, hospice, respite and short-term stays.
- **St. Paul's PACE** – Serving San Diego County, this is a community program of all-inclusive healthcare and social services to assist the frail elderly live safely in their homes.
- **Homeless Seniors** – Partnering with supportive housing developers, St. Paul's provides 300 homeless seniors with all-inclusive healthcare services.
- **St. Paul's Childcare Program** – A day program for preschool-aged children that emphasizes academics and structured activities with senior residing in a St. Paul's community.

ST. PAUL'S MANOR RENOVATION PROJECT

St. Paul's Manor, the flagship community of St. Paul's Senior Services, is a retirement living community of affordably priced apartment rentals for independent seniors located in the Bankers Hill neighborhood of San Diego. The construction of St. Paul's Manor began in 1960 and the first residents moved into 64 apartments in January 1963. Within the year, demand was so great that planning commenced for an additional 88 units. Construction of the Manor Tower began in October 1966 and was fully occupied by November 1967.

Over the years, St. Paul's Manor has served thousands of seniors. The building continues to be viewed as a unique asset to the community with a level of affordability that is unusual for the region. Though its roots are traced to an Episcopal parish, the founders explicitly stated in the bylaws that a person of any (or no) faith was welcome to the community. Residents continue to enjoy living in the centrally located neighborhood of Bankers Hill, with easy access to public transportation, healthcare providers, places of worship, restaurants, food stores, shops and the historic Balboa Park, San Diego's cultural center.

As a 60-year old building, the Manor is greatly in need of extensive renovations in the range of \$17 million. Market conditions are such, that St. Paul's is confronting a timely and compelling housing problem: Bankers Hill is becoming increasingly gentrified with upscale condominiums and high-end apartment rentals catering to an affluent clientele, displacing more affordable housing options serving seniors living on a fixed, limited income.



This context is not unique. Across the nation, a sizable number of affordable rental properties – like the Manor – were created through HUD/other public funding sources in the decades between 1960 and 1990. Thousands of those units throughout California are "aging out" of their affordability restrictions. Free of that burden, many of the owners are remodeling and refinancing those at market rents that are not accessible to people of modest means. This has been one of the ongoing crises in the housing sector that is adding to increased homelessness among seniors.

St. Paul's Senior Services was at a crossroads in determining the Manor's fate: Demolish it and construct a new building at an elevated rental price point that can service the debt, or invest in the needed renovations to ensure the neighborhood maintains affordably priced apartments.

Given the founders' intent to provide affordable housing for seniors in Bankers Hill, St. Paul's Board of Directors chose the latter option. With that directive, the challenge confronting St. Paul's was how to go about financing this strategic decision while maintaining affordable pricing.

Ultimately, to keep the Manor affordable, St. Paul's will have to do its best to keep rent increases to a minimum. After considering numerous scenarios, we estimated that, with a budget of roughly \$17.5 million and if St. Paul's borrowed no more than \$5 million, Manor apartment rates would only need to be increased about 10% of the current rate at the time of move-in for the project to be financially viable. Thus, the imperative for extensive philanthropic support: The more we have, the less we need to increase rents.

CHARITABLE REQUEST

St. Paul's fundraising goal to renovate the Manor is **\$17,500,000**. This includes the cost for new lighting, ceilings, carpet and Wi-Fi, upgrades to the mechanical, electrical and plumbing systems and enhancements to the building exterior, common areas and apartments. To date, we are grateful to have received **\$7,600,000** in gifts, pledges and grants from generous donors. Presently, we are making an outreach to individuals and organizations in the San Diego community for the remaining **\$9,900,000**.

Through the generosity, support and vision of our donors, St. Paul's Manor will be ready to serve the next generation of seniors living on a fixed income with contemporary, comfortable and affordable housing in San Diego's Bankers Hill neighborhood, where "modern meets historical."

CONTACT INFORMATION

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