



COLLEGES: SAN DIEGO – Supported by the \$3.5 billion bond Measure HH, San Diego Community College District is converting a six-story office building into over 60 residential units with about 4,700-square-feet of groundfloor retail space.

Property Will Support Over 60 Units for Students with Dependents

By Madison Geering | September 7, 2026

A recent survey by the San Diego Community College District (SDCCD) found that housing affordability topped the list of priorities for students with dependents.

That dynamic is one reason why SDCCD is investing \$28 million in an affordable housing community for student families located at 845 15th Street.

Supported by the \$3.5 billion bond Measure HH, the project will convert an about 60,000-square-foot, six-story office building into over 60 residential units with about 4,700-square-feet of ground-floor retail space. Occupancy is projected for 2028.

“We believe that offering housing is important for us to meet our mission,” SDCCD Vice Chancellor Joel Peterson said. “The key part of our mission is student education... but the way we do that is through open access, and what we’re finding is that the affordable housing shortage is undermining that access.”

The affordable family housing community will be available to eligible students throughout the district.



The current lobby at 845 15th Street will serve as a reception area for the San Diego Community College District's new affordable family housing complex. Photo by Madison Geering

SDCCD entered a 25-year lease with HP Investors-affiliated L2HP at \$2.28 per square foot, per month, and will have the option to acquire the property during the first five years of the lease term for \$1. The built-to-suit arrangement was designed to give SDCCD the freedom to innovate its student housing model.

The project will be the district's second major housing initiative. Its nearly 800-bed affordable non-family student housing community at San Diego City College is currently under construction.

Lease Structure Enables Innovation

Peterson said that SDCCD began considering the property over a year ago.

While the lease term is 25 years, Peterson said that they didn't want to commit the district to that many years of payment. Instead, they decided to prepay the entire lease term for \$22 million.

This arrangement allows the building's owners to pay off their debt and have cash on hand for tenant improvements. For SDCCD, the deal's structure allows them to develop a first-of-its-kind project without being "locked into an asset," Peterson said.

"The point here was to give the district and the Board of Trustees some flexibility and time to see, 'Hey, is this working out?'" Peterson said. "We're doing this for the first time, and we don't know what we don't know. We're doing everything very prudently to run this kind of amenity so that it will be beneficial." The building will be eligible for purchase during the first five years of the lease term for \$1. If SDCCD ends the lease early, there is a profit-sharing model in place that will return the district's investment.

In addition to its \$22 million pre-paid lease investment, SDCCD will contribute about \$6 million in soft costs for the building's conversion. The building's ownership will contribute about \$10 million in tenant improvements.

Supporting Student Needs

This project represents the first time a California community college has invested in family-focused affordable housing, Peterson said.

Many community colleges offer regular student housing in partnership with four-year universities. Only a handful directly own and manage their own housing, and those are mostly market rate units designed for single students.

"[The project] will let us understand how this works, what is different about it versus single student housing," Peterson said. "And then that will inform us on how we would be able to better serve this population in other



The San Diego Community College District's new affordable housing project will offer over 60 units to students with dependents. Courtesy of San Diego Community College District



San Diego Community College District Vice Chancellor Joel Peterson onsite at the district's newly purchased property, which will be converted to affordable family housing. Photo by Madison Geering

locations as we expand our efforts into affordable student housing.”

In a recent survey with a 25% return rate, SDCCD found that there are about 2,556 students with dependents in the district. In a separate survey with 966 respondents, SDCCD found that 648 respondents, or 67%, were interested in SDCCD-provided student-family housing and would move in with family.

The community’s conceptual design features 64 units, including 40 2-bedroom units at \$1,500 per month, 20 one-bedroom units at \$1,000 per month and four one-bedroom lofts at \$1,200 per month. Utility costs will total about \$100 per month.

The complex will also feature an onsite, paid laundry facility.

“If we’re offering affordable housing, we should be looking to serve all of our students, particularly students with dependents who have that additional challenge,” Peterson said. “Not only are they working, not only are they going to school, but they have somebody or other people that are relying on them for shelter and for livelihood.”