



SAN DIEGO
HOUSING
COMMISSION

San Diego Housing Commission

Fairbanks Terrace

Preliminary Bond Items

September 11, 2015

Ted Miyahara
Director of Housing Finance
Real Estate Division

Cameron Shariati
Assistant Real Estate Manager
Real Estate Division





SDHC – Fairbanks Terrace Partnership Development Recommendation

- Recommend that the Housing Authority of the City of San Diego (Housing Authority):
 - Issue a bond inducement resolution for up to \$17,700,000 in multifamily housing revenue bonds/note for the development of Fairbanks Terrace;
 - Authorize an application (and subsequent applications, if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt private activity bonds/note in an amount up to \$17,700,000;
 - Approve the financing team of Orrick, Herrington, & Sutcliffe LLC as Bond Counsel and Public Financial Management as Financial Advisor;



SDHC – Fairbanks Terrace Partnership Development Recommendation (Cont.)

- Request that the San Diego City Council (City Council) hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of multifamily housing revenue bonds/note in an amount up to \$17,700,000; and
- Authorize the San Diego Housing Commission (SDHC) President & Chief Executive Officer, or designee, to execute and perform acts necessary, convenient, and/or appropriate to implement, upon advice of General Counsel and/or the bond counsel.



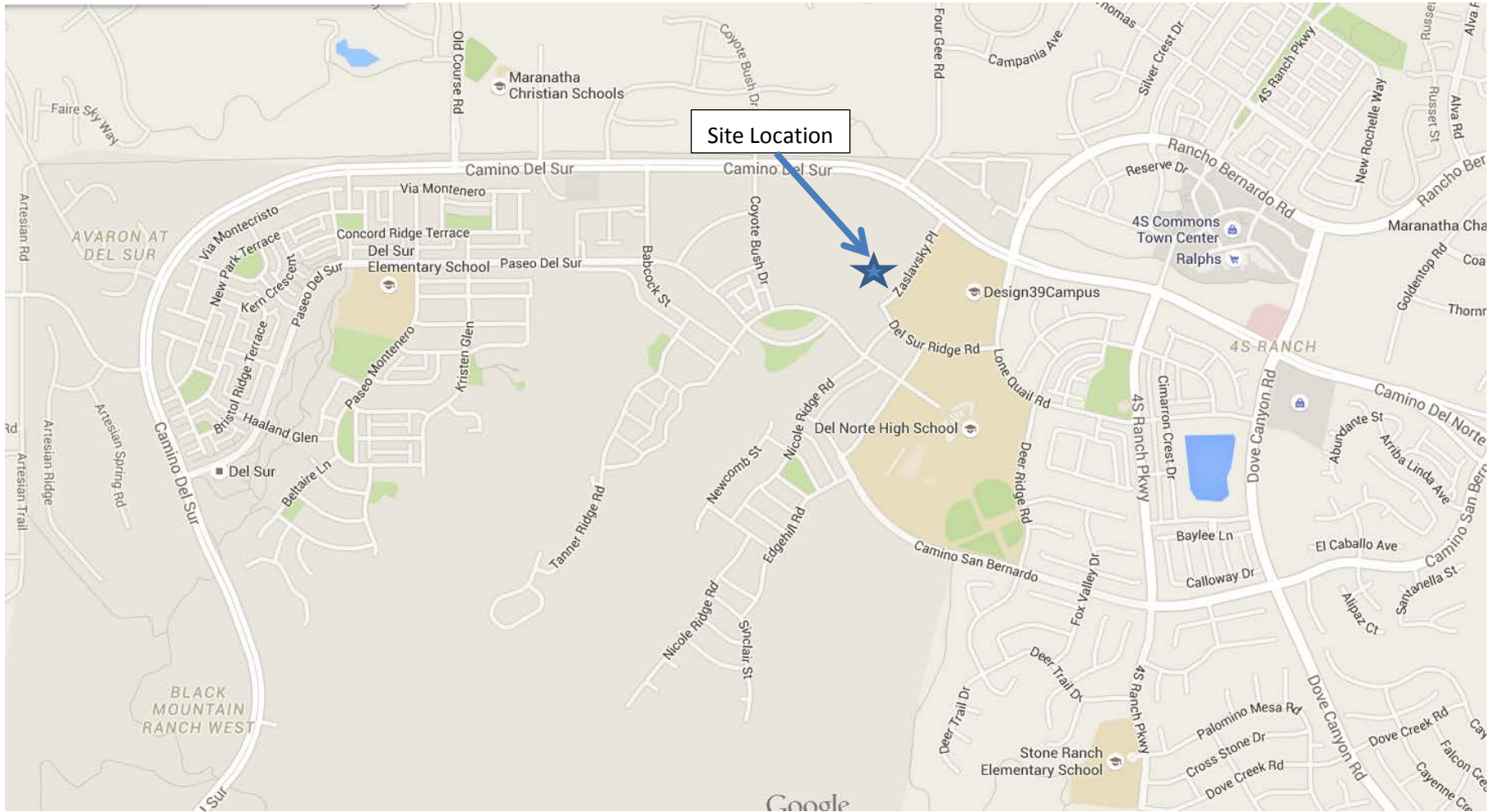
SDHC – Fairbanks Terrace Partnership Development

Site Location – Corner of Paseo del Sur and Del Sur Ridge Road



SDHC – Fairbanks Terrace Partnership Development

Site Location – Corner of Paseo del Sur and Del Sur Ridge Road (Cont.)



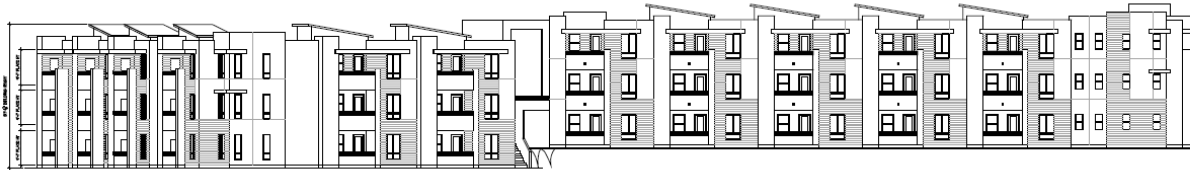
SDHC – Fairbanks Terrace Partnership Development Elevations



ELEVATION A



ELEVATION B



ELEVATION C



ELEVATION D

FAIRBANKS TERRACE / BMR 4
CHELSEA INVESTMENT CORPORATION



Prepared By: [Redacted]
 Date: [Redacted]
 Project Address: [Redacted]
 [Redacted]
 [Redacted]



SDHC – Fairbanks Terrace Partnership Development Proposed Rents

Unit Type	AMI	Number of Units	Proposed Gross Rents	Estimated Market Rents	Estimated Rent Savings per Unit
1-bedroom	50% AMI	7	\$759	\$1,170	\$411
1-bedroom	60% AMI	59	\$911	\$1,170	\$259
2-bedroom	50% AMI	2	\$911	\$1,952	\$1,041
2-bedroom	60% AMI	14	\$1,093	\$1,952	\$859
2 Bedroom– Manager	n/a	1	-	-	-
Total		83			





SDHC – Fairbanks Terrace Partnership Development Development Team Summary

ROLE	FIRM/CONTRACT
Owner	To-be-formed limited partnership
Managing General Partner	Pacific Southwest Community Development Corporation
Administrative General partner	To-be-formed California limited liability company
Developer	Chelsea Investment Corporation
Architect	McKinley Associates
Civil Engineering	Rick Engineering
General Contractor	Emmerson Construction Inc., an affiliate of Chelsea
Property Management	ConAm Management Corporation
Tax Credit Investor	US Bancorp
Construction Lender and Permanent Lender	Citi Community Capital
Land Owner/Seller	Black Mountain Ranch LLC



SDHC – Fairbanks Terrace Partnership Development

Estimated Sources & Uses of Financing

Permanent Financing Sources	Amounts
Permanent Loan (A Bond)	\$5,813,018
Tax Credit Equity	\$10,685,796
C Bond	\$575,000
Master Developer Note for Off-Site Improvements	\$4,656,316
FBA Fee Credit Note	\$1,288,243
Solar Equity	\$213,362
Deferred Developer Fee	\$1,244,131
Total Development Cost	\$24,475,866

Estimated Financing Uses	Amounts	Per Unit
Land Acquisition Costs (including offsite improvements)	\$7,486,317	\$90,197
Hard Costs	\$9,288,826	\$111,914
Hard Costs Contingency	\$464,441	\$5,596
Financing Fees & Interest	\$1,201,342	\$14,474
Reserves	\$197,193	\$2,376
City Development Impact Fees	\$1,288,243	\$15,521
Soft Costs	\$2,049,504	\$24,693
Developer Fee	\$2,500,000	\$30,120
Estimated Total Development Cost (TDC) 83 Units	\$24,475,866	\$294,890





SDHC – Fairbanks Terrace Partnership Development Proposed Schedule

Milestones	Estimated Dates
• Housing Authority for preliminary consideration	• September 22, 2015
• City Council IRS-required TEFRA hearing	• September 22, 2015
• Applications: TCAC tax credit & CDLAC bonds/note allocation	• October 16, 2015
• TCAC and CDLAC allocation meetings	• December 16, 2015
• Housing Commission proposed final bond/note authorization	• January 2016
• Housing Authority proposed final bond/note authorization	• January 2016
• Estimated bond/note issuance and escrow closing	• February 2016
• Estimated start of construction work	• March 2016
• Estimated completion of construction work	• July 2017





SDHC – Fairbanks Terrace Partnership Development

Questions?

