



EXECUTIVE SUMMARY

HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: May 6, 2021

HCR21-049

SUBJECT: Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Southwest Village Apartments

COUNCIL DISTRICT(S): 4

ORIGINATING DEPARTMENT: Real Estate Division

CONTACT/PHONE NUMBER: Colin Miller (619) 578-7429

REQUESTED ACTION:

Take the initial steps to issue Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and taxable bonds to facilitate the construction of a new affordable housing development at 323-337 Willie James Jones Avenue in the Chollas Creek Village Neighborhood, which will consist of 80 units affordable for 55 years for individuals and families earning 30 percent to 60 percent of the San Diego Area Median Income and one unrestricted manager's unit.

EXECUTIVE SUMMARY OF KEY FACTORS:

- Southwest Village is a new construction, 81-unit development with 80 affordable rental housing units for families and one unrestricted manager's unit.
- The project sponsor, Southwest Village Housing Partners, L.P., is a joint venture between the Related Companies of California and the Jacobs Center for Neighborhood Innovation (JCNI).
- Extensive resident services will be provided by Life Skills. Related Management Company, L.P. is the property manager. The Related Companies of California, LLC is the lead developer.
- The developer is seeking preliminary approvals to issue up to \$25,000,000 in tax-exempt Multifamily Housing Revenue Bonds and \$15,500,000 in taxable bonds supporting the development of Southwest Village Apartments.
- Southwest Village Apartments has an estimated total development cost of \$40,314,147 (\$497,706/unit).
- No San Diego Housing Commission (Housing Commission) loan proceeds will be provided to this development.
- Staff recommends that the Housing Commission:
 - Issue a bond inducement resolution for up to \$25 million in tax-exempt Multifamily Housing Revenue Bonds and up to \$15.5 million in taxable Multifamily Housing Revenue Bonds
 - Authorize an application to the California Debt Limit Allocation Committee.
 - Approve the financing team of Orrick as Bond Counsel and Ross Financial as Financial Advisor
 - Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing.



REPORT

DATE ISSUED: April 29, 2021

REPORT NO: HCR21-049

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of May 6, 2021

SUBJECT: Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA)
Hearing for Southwest Village Apartments

COUNCIL DISTRICT: 4

REQUESTED ACTION

Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) hearings are scheduled to be heard by the San Diego Housing Commission (Housing Commission) Board of Commissioners on May 6, 2021, at 9 a.m. Any two members of the Housing Authority of the City of San Diego (Housing Authority) or San Diego City Council (City Council) may request that these hearings not take place and instead be heard by the Housing Authority and City Council by giving notice to the Housing Commission's President & Chief Executive Officer, or designee, within seven days of the date of this notice.

Take the initial steps to issue Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and taxable bonds to facilitate the construction of a new affordable housing development at 323-337 Willie James Jones Avenue in the Chollas Creek Village Neighborhood, which will consist of 80 units affordable for 55 years for individuals and families earning 30 percent to 60 percent of the San Diego Area Median Income and one unrestricted manager's unit.

STAFF RECOMMENDATIONS

That the San Diego Housing Commission (Housing Commission) take the following actions as described in this report.

- 1) Approve the following preliminary steps to issue Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds to facilitate the development of Southwest Village Apartments at 323-337 Willie James Jones Avenue in the Chollas Creek Village Neighborhood, which will consist of 80 units affordable for 55 years for individuals and families earning 30 percent to 60 percent of the San Diego Area Median Income (AMI) and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$25,000,000 in tax-exempt Multifamily Housing Revenue Bonds and \$15,500,000 in taxable bonds supporting the development of Southwest Village Apartments by a limited partnership formed by the Related Companies of California and the Jacobs Center for Neighborhood Innovation;
 - b. 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 in an amount up to \$25,000,000 for Southwest Village Apartments;
and
- c. Approve the financing team of Orrick as Bond Counsel and Ross Financial as Financial Advisor;
 - 2) Authorize the Housing Commission’s President & Chief Executive Officer (President & CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.
 - 3) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing to approve the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$25,000,000 to facilitate the development of Southwest Village Apartments.

SUMMARY

A development summary is included as Attachment 1.

Table 1 – Development Details

Address	323,333,335,337 Willie James Jones Avenue
Council District	Council District 4
Community Plan Area	Chollas Valley Planning Group
Developers	The Related Companies of California, LLC
Development Type	New Construction
Construction Type	Three-story Type V
Parking Type	96 surface parking spaces
Housing Type	Affordable Family
Lot Size	2.27 Acres 98,881 square feet
Units	81 total: 80 affordable and 1 manager unit
Density	36 units/acre
Unit Mix	30 one-bedroom units, 29 two-bedroom units, 21 three-bedroom units, and 1 two-bedroom managers’ units
Gross Building Area	70,483 square feet
Net Rentable Area	63,696 square feet
Commercial/Retail Space	None
Project-Based Housing Vouchers	50

The Development

The site is a vacant, sloped, 2.27-acre parcel, urban infill series of five contiguous infill parcels, located near the Market Street transit corridor. The site is on the end of the Willie James Jones Avenue cul-de-sac, and is adjacent to residential and commercial uses. It is in the RM-3-7 zone, surrounded by a mix of single-family homes, duplexes, townhouses, multiunit buildings, and neighborhood businesses.

Southwest Village is a new construction, 81-unit development with 80 affordable rental housing units for families and one unrestricted manager's unit, located in the Chollas Creek Village Neighborhood. The project sponsor, Southwest Village Housing Partners, L.P., is a joint venture between the Related Companies of California and the Jacobs Center for Neighborhood Innovation (JCNI).

Proposed amenities include a community building for residents, targeted toward working families with children, and may include meeting rooms, a computer lab, kitchen and space for social services/after-school care. A bike storage room and a space for teens also may be included. The multipurpose room will connect directly to an outside gathering space with a play area for younger children. This building will also include an on-site property management/leasing office.

Extensive resident services will be provided by Life Skills. Related Management Company, L.P. is the property manager. The Related Companies of California, LLC is the lead developer.

Project Sustainability

The Southwest Village project will contain design features such as drought-tolerant landscaping, high-efficiency lighting fixtures and appliances, and low-flow plumbing fixtures into the construction to maximize green efficiency at the project. The development will be certified through GreenPoint Rated, a third-party verification of green homes, and comply with California Tax Credit Allocation Committee (CTCAC) minimum energy efficiency construction standards for new construction. Water conservation will be promoted via low-water-use fixtures in kitchens and bathrooms, low-flow toilets, and low-water-use native-plants landscaping with water-efficient irrigation controls. In addition, the development includes the installation of a solar photovoltaic system on the roof.

A Phase I environmental site assessment dated July 21, 2017, by Ninyo & Moore, determined that no current Recognized Environmental Conditions (RECs) exist on site. The 2017 Phase I update prepared by Ninyo & Moore identified no RECs, as the previous Phase II testing performed by Ninyo & Moore in 2016 did not find any contaminants at actionable levels. Since the site is previously disturbed and has some man-made fill, Ninyo & Moore will prepare a Soil Management Plan (SMP) for use during construction that will address how to manage any undocumented fills/man-made soil conditions or localized areas of concerns. The developer will require their contractor to comply with the SMP and will hire Ninyo & Moore to oversee the grading and excavation phases.

Development Team

The Related Companies of California, LLC (Related) is a fully-integrated real estate firm with a 30-year record of delivering top-quality affordable housing, mixed-income housing, and mixed-use developments across California. The company has more than 16,000 residences completed or under construction, and more than 1,750 affordable units in predevelopment in its San Francisco, Los Angeles and Irvine offices. Related is backed by The Related Companies, L.P. of New York City, one of the most prominent, privately owned real estate firms in the nation, with a portfolio of more than \$60 billion of real estate, including more than 50,000 units of affordable housing.

Related is a full-service affordable development company having completed 91 tax-credit financed developments with more than 16,000 residential units in California. In the past five years, Related has received over 30 awards, ranging from Best Affordable Project to Real Estate Deal of The Year.

Related has two recently completed developments in San Diego County: Paradise Creek Phases I and II in National City

Supportive Services

Life Skills Training and Educational Programs, Inc. (LifeSTEPS), a California 501(c)(3), is the largest provider of social and supportive services to residents of affordable housing in California. Formed in 1996, LifeSTEPS is a statewide organization serving more than 90,000 residents living in nearly 33,000 units of family, senior and single-room occupancy, low-income and supportive housing. LifeSTEPS employs over 280 individuals throughout California. Their standard hours of operation are Monday through Friday from 8am until 5pm. They have systems in place to respond to resident emergencies should those occur outside of normal operating hours, including a 24/7 dedicated telephone number for immediate response for special needs residents.

LifeSTEPS provides a comprehensive set of social and supportive services that includes case management (general, specialized, clinical and intensive case management services), service coordination, after-school programs for children, aging-in-place services for seniors, financial literacy, employment skills, mediation services, health and wellness activities, crisis intervention, individualized and group life skills education and services, green living, food distribution programs, mental health referrals, community activities, fund raising, and eviction prevention through its Client Assistance Safety Net program. LifeSTEPS regularly provides a variety of specialized services for particular housing agencies, including CTCAC, the California Debt Limit Allocation Committee, Federal Home Loan Bank Affordable Housing Program, the State Department of Housing and Community Development, the U.S. Department of Housing and Urban Development, and many cities and counties across the state, including Los Angeles, Sacramento and Santa Clara counties. In 2012, the California Housing Consortium recognized LifeSTEPS as Non-Profit of the Year for its leadership in resident services.

At Southwest Village, LifeSTEPS will provide on-site services, including, but not limited to, Adult Educational Classes such as health and wellness, or skill-building classes, including but not limited to: financial literacy, computer training, homebuyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation, and smoking cessation. Service Coordination will be used to help residents with individual needs such as accessing governmental and nonprofit assistance, eviction prevention, advocacy, budgeting, and resume writing and job hunting. LifeSTEPS also provides crisis management and mediation services.

Other members of the development team – including the general contractor– will be determined before final bond approval and the close of construction financing, as required.

Table 2 - Development Team Summary

<u>ROLE</u>	<u>FIRM/CONTACT</u>
Developer	The Related Companies of California, LLC
Owner/Borrower	Southwest Village Housing Partners, L.P.
Managing General Partner	JCNI Southwest Village Housing Partners, LLC
Administrative General Partner	Related/Southwest Village Development Co., LLC
Tax Credit Investor Limited Partner	TBD
Architect	Rodriguez Associates Architects & Planners, Inc.
General Contractor	TBD

Property Management	Related Management Company, L.P.
Construction and Permanent Lender	Union Bank, N.A
Tenant Services Provider	Life Skills Training and Educational Programs, Inc.

Financing Structure

Southwest Village Apartments has an estimated total development cost of \$40,314,147 (\$497,706/unit). Financing for the project will include Multifamily Housing Revenue Bonds, private bank debt, 4 percent federal low-income housing tax credits, State Housing and Community Development (HCD) Transit-Oriented Development (TOD) Funds, and a deferred developer fee

No Housing Commission loan proceeds will be provided to this development.

Estimated permanent sources and uses of financing are provided in Table 3. The developer's project pro forma is provided as Attachment 4.

Table 3 – The Southwest Village Apartments Estimated Sources and Uses of Financing

Financing Sources	Amount	Financing Uses	Amount	Per Unit
4% Tax Credit Equity	\$19,636,047	Land acquisition:	3,000,000	37,037
Transit-Oriented Development HCD	\$10,000,000	Construction cost and contingency	25,838,272	318,991
Permanent Loan	\$9,378,000	Financing costs	1,984,525	24,500
Deferred Dev. Fee	\$1,300,000	Architecture and Engineering	1,531,000	18,901
GP Equity	\$100	Legal	300,000	3,704
		City permits & impact fees	2,191,147	27,051
		Developer's fee	3,500,000	43,210
		Reserves	443,476	5,475
		Other soft costs	1,525,727	18,836
Total Sources	\$40,314,147	Total Uses	\$40,134,147	\$497,706

Developer Fee

The planned net cash developer fee shall be \$1,800,000 in compliance with CTCAC and CDLAC regulations.

Developer Fee

\$3,500,000 – gross developer fee

- \$1,300,000 – minus developer's deferred developer fee; paid out of developer's share of residual cash

\$1,800,000 – net cash developer fee

The fee proposed is consistent with the Request for Approval of Updated Developer Fees (HAR17-011) approved by the Housing Authority on April 25, 2017.

On April 25, 2017, the Housing Authority approved the "Request for Approval of Updated Developer Fees" (Report No. HAR17-011; Resolution No. HA-1727). That report approved certain developer fee guidelines for multifamily loans and bond issuances. Attachment 1 to that report stated: "Developer Fee

[for] 4% tax credits, in project costs: 15% eligible basis....” The developer is proposing a \$3,500,000 preliminary developer fee associated with the residential portion of development, which complies with HAR17-011. The proposed fee is in conformance with the “Request for Approval of Updated Developer Fees” guidelines approved by the Housing Authority on April 25, 2017.

Prevailing Wages

The proposed project is subject to payment of state prevailing wages due to funding from the State Department of Housing and Community Development and federal prevailing wages due to the 50 Section 8 Housing Choice Vouchers awarded to the project through the Housing Commission’s Fiscal Year 2020 Notice of Funding Availability and the funding from HCD.

Development Cost Key Performance Indicators

Housing Commission staff has identified development cost performance indicators, which were used to evaluate the proposed development. The key performance indicators listed in Table 4 are commonly used by real estate industry professionals and affordable housing developers.

Table 4 – Key Performance Indicators

Development Cost Per Unit	\$497,706
Housing Commission Subsidy Per Unit	\$0
Acquisition Cost Per Unit	\$37,037
Gross Building Square Foot Hard Cost	\$367
Net Rentable Square Foot Hard Cost	\$406

Project Comparison Chart

Multiple factors and variables influence the cost of developing multifamily affordable housing, including but not limited to project location, site conditions, site improvements needed, environmental factors, land use approval process, community involvement, construction type, design requirements/constraints, economies of scale, City impact fees, developer experience and capacity, and amenities necessary to gain tax credit approval.

Table 5 shows a comparison of the subject property and other developments of the same construction type.

Table 5 – Comparable Development Projects

Development	Year	Unit Mix	Units	Prevailing Wage	Total Development Cost	Per Unit TDC	SDHC Subsidy	Gross Building Hard Cost per Square Foot
Subject – Southwest Village	2021	30 1BR, 29 2BR, 21 3BR, & 1 mgr. unit	81	Yes	\$40,314,147	\$497,706	\$0	\$367
Hilltop Family Housing, L.P.	2020	14 Studios, 23 1BR, 36 2BR, 20 3BR, 18 4BR & 2 mgr. units	113	Yes	\$54,305,415	\$480,579	\$73,451	\$279
East Block Family	2019	33 2BR, 44 3BR & 1 mgr. unit	78	No	\$40,562,897	\$520,037	\$0	\$355
Keeler Court	2019	10 Studios, 20 1BR, 18 2 BR, 22 3 BR & 1 mgr. unit	71	Yes	\$35,692,466	\$502,711	\$0	\$262

Ulric Street I	2019	12 Studios, 21 1BR, 33 2BR, 29 3BR & 1 mgr. unit	96	Yes	\$46,427,114	\$483,616	\$72,917	\$264
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Proposed Housing Bonds

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, developments are brought before the Housing Commission. Housing Commission bond inducement resolutions must be obtained prior to application submittal, and Housing Commission. These actions do not obligate the Housing Authority to issue bonds.

The developer plans to submit a bond allocation application to CDLAC on May 13, 2021, for an August 11, 2021, bond allocation meeting (dates are subject to CDLAC's change); however, if necessary, staff will submit additional applications to CDLAC to secure a bond allocation for the development.

The developer will be seeking a CDLAC bond allocation of approximately \$25,000,000 in tax-exempt Multifamily Housing Revenue Bonds and \$15,500,000 in taxable bonds. The developer proposes to have the Housing Authority issue the bonds through a tax-exempt private placement bond issuance. The bonds will meet all requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and will fully comply with the City of San Diego's (City) ordinance on bond disclosure.

The developer proposes that the bonds will be used to provide construction and permanent financing for the project. Housing Commission staff will later return to both the Housing Commission and Housing Authority for approval of the final bonds and transaction documents. A general description of the Multifamily Housing Revenue Bond Program and the actions that must be taken by the Housing Commission to initiate and finalize proposed financings are described in Attachment 5.

Staff recommends assigning Orrick as Bond Counsel and Ross Financial as Financial Advisor to work on the development. The proposed financing team members have been selected in accordance with the existing policy for the issuance of bonds. Financial Advisors and Bond Counsels are selected in accordance with the Housing Commission's Bond Policy.

AFFORDABLE HOUSING IMPACT

Under the proposed bond financing, Southwest Village Apartments would restrict 27 units to households with income at or below 30 percent of the San Diego Area Median Income (AMI), 13 units at or below 40 percent of AMI, 17 units at or below 50 percent of AMI, and 23 units at or below 60 percent of AMI. The affordable units will be restricted for a 55-year term.

Table 6 – Southwest Village Affordability & Monthly Estimated Rent Table

<u>Unit Type</u>	<u>AMI</u>	<u>Number of Units</u>	<u>Gross Rents</u>
One-Bedroom	30%	6	\$649
One-Bedroom	40%	6	\$866
One-Bedroom	50%	9	\$1,083

One-Bedroom	60%	9	\$1,083
Two-Bedrooms	30%	16	\$780
Two-Bedrooms	40%	6	\$1,040
Two-Bedrooms	50%	3	\$1,300
Two-Bedrooms	60%	4	\$1,300
Three-Bedrooms	30%	5	\$901
Three-Bedrooms	40%	1	\$1,201
Three-Bedrooms	50%	5	\$1,501
Three-Bedrooms	60%	10	\$1,501
Manager	NA	1	-
Total Units	-	81	-

Development Schedule

The estimated development timeline is as follows.

Milestone	
CTCAC/CDLAC application	May 13, 2021
CDLAC Award	August 11, 2021
Housing Commission Board meeting for Final Bond Authorization	September 2021
Housing Authority & City Council meeting for Final Bond Authorization and Final TEFRA approval	September 2021
Finance Closing	February 2022
Start Construction	February 2022
Complete Construction	June 2023

FISCAL CONSIDERATIONS

The proposed funding sources and uses approved by this action are not included in the Fiscal Year (FY) 2021 Housing Commission Budget. Approving this action will increase the FY 2021 total budget.

Funding sources approved by this action will be as follows:

Bond Issuance Fees - \$101,250 (.0025 bond issuer fee x \$40,500,000)

Funding uses approved by this action will be as follows:

Administration Costs - \$101,250

Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue the bonds. The bonds would not constitute a debt of the City. If bonds are ultimately issued for the development, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources of the development. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission annual administrative fee, as well as Housing Commission Bond Council and Financial Advisor fees.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS

Southwest Village Apartments is a by-right project and is consistent with the base zone regulations and supplemental development regulations. A formal community group review is not required for a by-right project per City of San Diego guidelines; however, the developer has had several meetings with the local community group and continues to perform outreach to the community to address any potential concerns.

The applicant team is maintaining ongoing engagement with the community. Related will provide another informal information presentation to the Chollas Valley Planning Group to update the community on the project once project is fully funded.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders include the Related Companies, JCNI, and the residents of the Chollas Valley community. The project is anticipated to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and create 80 new affordable rental homes for low-income individuals and families.

ENVIRONMENTAL REVIEW

This activity is not a “project” and is therefore not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(3). This determination is predicated on Section 15004 of the Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review. This action does not constitute approval of a project. Approval will occur once the environmental review has been completed in accordance with CEQA Section 15004. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process. The proposed actions are approval of preliminary steps to issue bonds and do not constitute approval of the development activity or authorization for the issuance of bonds. Future actions to consider and approve development entitlement approvals related to the future development of the site will require additional review under the provisions of CEQA by the lead agency. Processing under the National Environmental Policy Act (NEPA) is not required as no federal funds are involved in this action.

Respectfully submitted,

Approved by,



Colin Miller
Vice President
Multifamily Housing Finance
Real Estate Division



Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

Attachments: 1) Development Summary
2) Site Map
3) Developer Disclosure Statements
4) Developer’s Project Sources and Uses Pro forma
5) Organizational Chart
6) Multifamily Housing Revenue Bond Program

Docket materials are available in the “Governance & Legislative Affairs” section of the San Diego Housing Commission website at www.sdhc.org

Development Summary – EPOCA Apartments

Table 1 – Development Details

Address	323,333,335,337 Willie James Jones Avenue
Council District	Council District 4
Community Plan Area	Chollas Valley Planning Group
Developers	The Related Companies of California, LLC
Development Type	New Construction
Construction Type	Three-story Type V
Parking Type	96 surface parking spaces
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Net Rentable Area	63,696 square feet
Commercial/Retail Space	None
Project-Based Housing Vouchers	50

Table 2 - Development Team Summary

<u>ROLE</u>	<u>FIRM/CONTACT</u>
Developer	The Related Companies of California, LLC
Owner/Borrower	Southwest Village Housing Partners, L.P.
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Tax Credit Investor Limited Partner	TBD
Architect	Rodriguez Associates Architects & Planners, Inc.
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Two-Bedrooms	50%	3	\$1,300
Two-Bedrooms	60%	4	\$1,300
Three-Bedrooms	30%	5	\$901
Three-Bedrooms	40%	1	\$1,201
Three-Bedrooms	50%	5	\$1,501
Three-Bedrooms	60%	10	\$1,501
Manager	NA	1	-
Total Units	-	81	-

Site Map

323,333,335,337 Willie James Jones Avenue



**DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
ENTITY SEEKING GRANT/BORROWERS
(Collectively referred to as "CONTRACTOR" herein)
Statement for Public Disclosure**

1. Name of CONTRACTOR: **Southwest Village Housing Partners, L.P.**
2. Address and Zip Code: **18201 Von Karman Ave., Irvine, CA 92612**
3. Telephone Number: **(949) 660-7272**
4. Name of Principal Contact for CONTRACTOR: **Rose Olson**
5. Federal Identification Number or Social Security Number of CONTRACTOR: **85-1653451**
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:

☐ A corporation (Attach Articles of Incorporation)
☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status)
☒ A partnership known as: **Southwest Village Housing Partners, L.P.**
(Name)

Check one:
☐ General Partnership (Attach statement of General Partnership)
☒ Limited Partnership (Attach Certificate of Limited Partnership) **Attached Certificate of Limited Partnership ("LP").**
☐ A business association or a joint venture known as: _____
(Attach joint venture or business association agreement)
☐ A Federal, State or local government or instrumentality thereof.
☐ Other (explain)

7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization: **June 24, 2020**
8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
 - a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock. **N/A**
 - b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body. **N/A**

- c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest. **See attached sheet.**
- d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest. **N/A**
- e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%. (Attach extra sheet if necessary) **N/A**

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: Related/Southwest Village Development Co., LLC	Administrative General Partner, 0.006%
Address: 18201 Von Karman Ave.	
Irvine, CA 92612	
Name: JCNi Southwest Village Housing Partners, LLC	Managing General Partner ("MGP"), 0.004%
Address: 404 Euclid Ave.	
San Diego, CA 92114	
Name: Nicholas Company, Inc.	
Address: 625 Madison Avenue	Placeholder LP, 99.99%
New York, NY 10022	

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months? If yes, please explain in detail. **Yes, the LP was formed.**
10. Is it *anticipated* that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail. **While the partnership is already formed, we plan to admit the MGP in the next 12 months.**
11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR): **N/A**

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name:	
Address:	
Name:	
Address:	
Name:	
Address:	

12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above: **N/A**

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name:	
Address:	
Name:	
Address:	
Name:	
Address:	

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature? If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm or business entity.

Name and Address	Relationship to CONTRACTOR
Name: The Related Companies of California, LLC	Administrative General Partner of LP
Address: 18201 Von Karman Ave.	William A. Witte – Chairman & CEO
Irvine, CA 92612	Frank Cardone – President
Name:	
Address:	
Name:	
Address:	

14. Provide the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the **attached** financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position. **As a newly formed entity, the LP does not currently have financials from the previous 24 months.**

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

The Contractor has obtained a number of funding sources in order to finance the new development. Committed sources include: tax credit equity; tax exempt bonds; project-based vouchers from the San Diego Housing Commission, which will be used for a Tranche B loan; State of California Transit Oriented Development (TOD) Program funds; and deferred construction and developer fees.

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

- a. In banks/savings and loans: **N/A**

Name:

Address:

Amount: \$

- b. By loans from affiliated or associated corporations or firms: **N/A**

Name:

Address:

Amount: \$

- c. By sale of readily salable assets/including marketable securities: **N/A**

Description	Market Value (\$)	Mortgages or Liens (\$)

17. Names and addresses of bank references, and name of contact at each reference:

Name and Address	Contact Name
Name: MUFG Union Bank, N.A.	Jonathan Klein
Address: 200 Pringle Avenue, Suite 355	
Walnut Creek, CA 94596	
Name: U.S. Bank, N.A.	Lisa Gutierrez
Address: 621 Capitol Mall, Suite 800	
Sacramento, CA 95814	
Name: Citi Community Capital	Bryan Barker
Address: One Sansome Street, 27 th Floor	
San Francisco, CA 94104	

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?

☐ Yes

☒ No

If yes, give date, place, and under what name.

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years?

☐ Yes

☒ No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

Type of Bond	Project Description	Date of Completion	Amount of Bond	Action on Bond
Performance Bond	54 th & Crenshaw – New Senior Affordable Housing Development	09/23/19	\$18,327,992.00	No legal action taken.
Performance Bond	Paradise Creek – New Affordable Housing Development	07/03/18	\$34,609,089.00	No legal action taken.
Qualified Private Activity Bonds	D1 Senior – New Senior Affordable Housing Development	03/07/18	\$25,305,225.00	No legal action taken.
Performance Bond	94 th & International – New Affordable Housing Development	02/16/18	\$20,165,563.00	No legal action taken.

21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information: **N/A**

- a. Name and addresses of such contractor or builder:

Name and Address	Affiliation
Name:	
Address:	
Name:	
Address:	
Name:	
Address:	

- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract?

☐ Yes ☐ No

If yes, please explain, in detail, each such instance:

N/A

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years: \$_____

General description of such work:

N/A

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation. (Attach extra sheet if necessary) **N/A**

Project Name		
Project Owner Contact Information		
	Name	Address
Project Location		
Project Details		
Bonding Company Involved		
	Name	Amount of Contract
Change Order Details		
Change Order Cost		
Litigation Details		
	Location/Date	Outcome Details

d. Construction contracts or developments now being performed by such contractor or builder:

Identification of Contract or Development	Location	Amount	Date to be Completed

e. Outstanding construction-contract bids of such contractor or builder:

Awarding Agency	Amount	Date Opened

22. Provide a detailed and complete statement regarding equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor: N/A
23. Does any member of the governing body of the San Diego Housing Commission ("SDHC"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the SDHC, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor?

☐ Yes

☒ No

If yes, explain:

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are attached hereto and hereby made a part hereof as follows:

Qualifications

Related California, as Administrative General Partner ("AGP") and the West Coast affiliate of Related Companies, is a fully integrated real estate firm that develops multifamily residential and mixed-use properties in California.

Since 1989, Related California has undertaken a range of transformational developments from best in class luxury high rise residential properties to the redevelopment of obsolete public housing, spanning a broad spectrum of urban infill, affordable, mixed-income and market rate multi-family developments. The company has a development portfolio of 16,000 residential units completed or under construction, and more than 1,750 affordable and 4,000 market rate units in pre-development.

Related California has a long history of community partnership, having collaborated with more than 40 municipalities and over 30 non-profit organizations throughout California, and has successfully developed and managed a broad range of property types throughout Alameda, Contra Costa, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Francisco and Santa Clara counties. Related California has developed more than \$6 billion in assets and has a track record of consistently developing communities that exceed industry benchmarks in design, construction, sustainability and property management.

Financial Responsibility

Related California has owned and operated affordable housing for over 30 years and is one of the most experienced developers of affordable housing in the state. An experienced property manager is a key component to long term successful operation and we work closely with our affiliate, Related Management Company, which has been managing affordable housing since 1974. We have underwritten our permanent loans with a 1.2 DSCR which would allow some additional cushion should rental revenue decrease. Our company has weathered numerous economic cycles and downturns and we always works closely with our lenders and investment partners to maintain operations.

25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation?

☐ Yes

☒ No

If yes, explain:

26. State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverage's: List the amount of coverage (limits) currently existing in each category: **Stacy Martin and Tara Arghavan of USI Insurance Services, LLC, 7535 Irvine Center Drive, Suite 250, Irvine, CA 92618, (949) 790-9414**

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach certificate of insurance showing the amount of coverage and coverage period(s)] **Attached is our liability certificate.**

Check coverage(s) carried:

- ☒ Comprehensive Form
- ☒ Premises – Operations
- ☒ Explosion and Collapse Hazard
- ☒ Underground Hazard
- ☒ Products/Completed Operations Hazard
- ☒ Contractual Insurance
- ☒ Broad Form Property Damage
- ☒ Independent Contractors
- ☒ Personal Injury

- b. Automobile Public Liability/Property Damage [Attach certificate of insurance showing the amount of coverage and coverage period(s)] **Attached is our liability certificate.**

Check coverage(s) carried:

- ☒ Comprehensive Form
- ☒ Owned
- ☒ Hired
- ☒ Non-Owned

- c. Workers Compensation [Attach certificate of insurance showing the amount of coverage and coverage period(s)] **Attached is the Workers Compensation certificate.**

- d. Professional Liability (Errors and Omissions) [Attach certificate of insurance showing the amount of coverage and coverage period(s)] **Attached is our liability certificate.**

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)] **Attached is our liability certificate.**

- f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]
N/A

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including

apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the SDHC setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the SDHC, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the SDHC, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the SDHC, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the SDHC was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.

30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please state: **None**.

Government Complaint	Entity	Making	Date	Resolution

31. Has the CONTRACTOR ever been disqualified, removed from or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation?

☐ Yes ☒ No

If yes, please explain, in detail,

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked: **N/A**

Government Agency	License Description	License Number	Date Issued (Original)	Status (Current)	Revocation (Yes/No)

33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the SDHC. **N/A**

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the SDHC. **Please see the attached Contractor Experience, which shows TRCC's ability to perform and complete the Project in a timely manner and adhere to the conditions set by SDHC.**
35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the SDHC, AUTHORITY and/or the CITY within the last five (5) years: **N/A**

Date	Entity Involved (i.e. City SDHC, etc)	Status (Current, delinquent, repaid, etc.)	Dollar Amount

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)?

☐ Yes ☒ No

If yes, explain:

37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?

☐ Yes ☒ No

If yes, explain:

38. List three local references that would be familiar with your previous construction project: **N/A**

1. Name:
Address:
Phone:
Project Name and Description:
2. Name:
Address:
Phone:
Project Name and Description:
3. Name:
Address:
Phone:
Project Name and Description:

39. Give a brief statement regarding equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications

of the personnel, the nature of the equipment and the general experience of the Contractor. **The General Contractor for the project is still to be determined, but please note the TRCC has vast experience with a number of construction teams across California and in San Diego. In addition, TRCC will be working directly with AMJ Construction Management, who has 45 years of experience in construction/project management. In the past, AMJ has had a successful working relationship with TRCC, and is currently working on a number of TRCC projects throughout Southern California.**

40. Give the name and experience of the proposed Construction Superintendent.

Name	Experience
General Contractor is still to be determined.	

CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("SDHC"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the SDHC, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the SDHC, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the SDHC, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

Executed this 23rd day of February, 2021, at San Diego, California.

CONTRACTOR

By: Frank Cardone

Signature

Frank Cardone, President

Title

CERTIFICATION

The CONTRACTOR, Southwest Village Housing Partners, LP, hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

By: Frank Cardone

By: _____

Title: Frank Cardone, President

Title: _____

Dated: February 23, 2021

Dated: _____

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

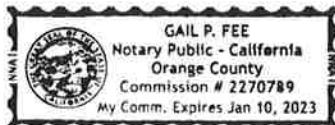
JURAT

State of California

County of Orange

Subscribed and sworn to (or affirmed) before me on this 23rd day of February, 2021

by Gail Fee _____ personally known to me or proved to me on the basis of
satisfactory evidence to be the person(s) who appeared before me.



Gail P. Fee
Signature of Notary

SEAL

PROJECT SUMMARY**SWV - Southwest Village - 4% SDHC Proforma****Project Data**

Project Type	Family
County	San Diego
Total Units	81
Parking Spaces	12
Land Area	2.27 Acres
Net Residential Area	67,157 SF
Construction Months	18 Months

Operating Economic Assumptions

Residential Vacancy Rate	5.0%
Retail Vacancy Rate	0.0%
Income Inflator	3.0%
Expense Inflator	3.0%
Property Tax Inflator	2.0%
Replacement Reserve Inflator (10% Every 5 Years)	0.0%
CPI	3.0%

Stabilized Cash Flow**Year 1**

Gross Scheduled Rent	\$1,329,096
Laundry Income	5,832
Vacancy & Collection	@ 5.00% (66,746)
Effective Gross Income	1,268,182
Operating Expenses	(683,444)
Net Operating Income	584,738

Basis Calculations

Total Eligible Basis	\$35,572,855
Adjusted Threshold Basis Limit	\$67,507,770
Total Eligible Basis as a % of Threshold Basis Limit	52.69%

Permanent Sources**Amount****Debt Service**

Tax Credit Equity	\$19,636,047	n/a
Permanent Financing	\$9,378,000	\$466,456
TOD Loan	\$10,000,000	n/a
Deferred Developer Fee	\$1,300,000	n/a
GP Equity	\$100	n/a
Total	\$40,314,147	\$466,456

Sources and Uses

Total Permanent Sources	\$40,314,147
Total Development Cost	\$40,314,147

SOURCES AND USES OF FUNDS
SWV - Southwest Village - 4% SDHC Proforma

Construction Sources and Uses

Construction Sources	
Tax Credit Equity	3,927,209
Construction Loan - Tax Exempt	20,640,000
Construction Loan - Taxable	12,903,362
GP Equity	100
Deferred Developer Fee	2,400,000
Deferred Reserves	443,476
Total Construction Sources	40,314,147
Construction Uses	
Total Development Cost	40,314,147
Amount Over/(Under)	0

Permanent Sources and Uses

Sources	
Tax Credit Equity	19,636,047
Permanent Financing	9,378,000
TOD Loan	10,000,000
GP Equity	100
Deferred Developer Fee	1,300,000
Total Permanent Sources	40,314,147
Uses	
Total Development Cost	40,314,147
Amount Over/(Under)	0

UNIT DISTRIBUTION
SWV - Southwest Village - 4% SDHC Proforma
Related Companies of California

Number Of Units	Income Category	SF	Gross Rent	Utility Allowance	Net Rent	Net Rent Per SqFt	Monthly Rent	Annual Rent	Unit %	Total Square Footage
1 Bedrooms										
9	50% TC	627	\$1,083	\$62	\$1,021	\$1.63	\$9,189	\$110,268	11%	5,643
9	60% TC	627	\$1,083	\$62	\$1,021	\$1.63	\$9,189	\$110,268	11%	5,643
6	30% SDHC	627	\$649	\$62	\$587	\$0.94	\$3,522	\$42,264	7%	3,762
6	40% SDHC	627	\$866	\$62	\$804	\$1.28	\$4,824	\$57,888	7%	3,762
30										
2 Bedrooms										
4	60% TC	780	\$1,300	\$82	\$1,218	\$1.56	\$4,872	\$58,464	5%	3,120
16	30% SDHC	780	\$780	\$82	\$698	\$0.89	\$11,168	\$134,016	20%	12,480
6	40% SDHC	780	\$1,040	\$82	\$958	\$1.23	\$5,748	\$68,976	7%	4,680
3	50% SDHC	780	\$1,300	\$82	\$1,218	\$1.56	\$3,654	\$43,848	4%	2,340
1	Mgr	780	\$0	\$0	\$0	n/a	\$0	\$0	1%	780
30										
3 Bedrooms										
2	50% TC	1,042	\$1,501	\$105	\$1,396	\$1.34	\$2,792	\$33,504	2%	2,084
6	60% TC	1,042	\$1,501	\$105	\$1,396	\$1.34	\$8,376	\$100,512	7%	6,252
5	30% SDHC	1,042	\$901	\$105	\$796	\$0.76	\$3,980	\$47,760	6%	5,210
1	40% SDHC	1,042	\$1,201	\$105	\$1,096	\$1.05	\$1,096	\$13,152	1%	1,042
3	50% SDHC	1,042	\$1,501	\$105	\$1,396	\$1.34	\$4,188	\$50,256	4%	3,126
4	60% SDHC	1,042	\$1,501	\$105	\$1,396	\$1.34	\$5,584	\$67,008	5%	4,168
21										
Unit Distribution Summary										
Summary			Income	Units	Total %	Unit Size		Units	Total %	
Total SF	64,092		30% AMI	27	34%	0		0	0%	
Avg. Unit SF	791		35% AMI	0	0%	1		30	37%	
Bedrooms	153		40% AMI	13	16%	2		30	37%	
Monthly Rent - Actual TCAC	\$78,182		45% AMI	0	0%	3		21	26%	
Annual Rent - Actual TCAC	\$938,184		50% AMI	17	21%	4		0	0%	
Monthly Rent - PBS8 OH	\$32,576		55% AMI	0	0%	Total		81	100%	
Annual Rent - PBS8 OH	\$390,912		60% AMI	23	29%					
Monthly Total Rent	\$110,758		Market	0	0%					
Annual Total Rent	\$1,329,096		Subtotal	80	100%					
Avg. Rent (excl. manager's)	\$977		Manager	1						
Avg. Rent PSF (excl. manager's)	\$1.23		Total	81						

Southwest Village - SDHC NOFA Proforma
Related Companies of California

SDHC

<u>PBS8 Net Rent Calculation</u>		SDHC PMT				
	Total Units	Units Applied	PBS8 Gross Rents*		Utility Allowance	Net Rents
1 Bedrooms	30	12	\$1,232			\$62
2 Bedrooms	30	25	\$1,495			\$82
3 Bedrooms	21	13	\$2,180			\$105
	81	50				

<u>PBS8 Annual Net Rent Calculation</u>						
	Total Units	Units Applied	PBS8 Net Rents		Monthly Net Rent	Annual Net Rent
1 Bedrooms	30	12	\$1,170		\$14,040	\$168,480
2 Bedrooms	30	25	\$1,413		\$35,325	\$423,900
3 Bedrooms	21	13	\$2,075		\$26,975	\$323,700
	81	50			\$76,340	\$916,080

<u>Tax Credit Net Rents</u>		SDHC				
	AMI	TCAC Mix	PBS8 Mix	TCAC Net Rents	Monthly Net Rent	Annual Net Rent
1 Bedrooms	30%	6	6	587	3,522	42,264
1 Bedrooms	40%	6	6	804	4,824	57,888
2 Bedrooms	30%	16	16	698	11,168	134,016
2 Bedrooms	40%	6	6	958	5,748	68,976
2 Bedrooms	50%	3	3	1,218	3,654	43,848
3 Bedrooms	30%	5	5	796	3,980	47,760
3 Bedrooms	40%	1	1	1,096	1,096	13,152
3 Bedrooms	50%	3	3	1,396	4,188	50,256
3 Bedrooms	60%	4	4	1,396	5,584	67,008
		50	50		\$43,764	\$525,168

<u>PBS8 Rent Differential Overhang Calculation</u>			
		PBS8 Net Rent	\$916,080
		Tax Credit Net Rent	\$525,168
		Section 8 Rent Differential	\$390,912

ANNUAL OPERATING EXPENSE BUDGET
SWV - Southwest Village - 4% SDHC Proforma

	Project Budget (81 units)
RENTING	
Advertising	2,000
Misc. Renting	<u>1,500</u>
TOTAL RENTING	3,500
ADMINISTRATION	
Office	3,080
Legal	3,300
Audit	10,000
Telephone/Computer	25,960
Tenant Relations	6,000
Misc. Administrative	<u>9,350</u>
TOTAL ADMINISTRATION	57,690
MANAGEMENT FEE	
Contract Management	<u>76,091</u>
TOTAL MANAGEMENT	76,091
OPERATING	
Electricity	35,500
Water	30,000
Gas	8,000
Sewer	25,000
Exterminating	3,500
HCD mandatory payments	0
Rubbish Removal	13,000
Misc. Operating	<u>2,500</u>
TOTAL OPERATING	117,500
MAINTENANCE	
Security	12,000
Grounds	25,250
Repairs	17,450
Unit Turns	3,413
Misc. Maintenance	<u>6,500</u>
TOTAL MAINTENANCE	64,613
SALARIES AND BENEFITS	
Office Salaries	68,700
Maintenance Salaries	110,030
Payroll Taxes and Benefits	<u>66,570</u>
TOTAL SALARIES AND BENEFITS	245,300
TAXES AND INSURANCE	
Real Estate Taxes	1,500
Insurance	<u>40,500</u>
TOTAL TAXES AND INSURANCE	42,000
RESERVES AND OTHER EXPENSES	
Replacement Reserves	20,250
Bond Monitoring Fee	10,000
Social Programs (LifeSTEPS)	<u>46,500</u>
TOTAL RESERVES AND OTHER COSTS	76,750
TOTAL OPERATING EXPENSES	<u>\$683,444</u>

DEVELOPMENT COSTS & ELIGIBLE BASIS DETERMINATION
SWV - Southwest Village - 4% SDHC Proforma

	81 units Budget	TCAC % Eligible	TCAC Eligible Basis
ACQUISITION COSTS			
Purchase Price	3,000,000	0%	0
Other Acquisition Costs	0	0%	0
TOTAL ACQUISITION COSTS	3,000,000		0
PROFESSIONAL FEES			
Architecture & Engineering	1,531,000	100%	1,531,000
Other Professional / Consulting	292,000	100%	292,000
TOTAL PROFESSIONAL FEES	1,823,000		1,823,000
FEES AND PERMITS			
City/County Fees and Permits	1,734,477	100%	1,734,477
Utility Fees/Costs	456,670	100%	456,670
TOTAL FEES AND PERMITS	2,191,147		2,191,147
CONSTRUCTION COSTS			
Offsite Improvements	712,165	100%	712,165
Site Improvements	4,783,184	100%	4,783,184
Parking Facilities	180,000	100%	180,000
Landscaping / Common Areas	809,610	100%	809,610
Residential Structures/Other Construction	13,563,411	100%	13,563,411
Solar PVs	95,000	100%	95,000
Contractor Contingency	401,268	100%	401,268
Escalation	297,439	100%	297,439
General Conditions	1,251,424	100%	1,251,424
Contractor Overhead	442,170	100%	442,170
Contractor Profit	1,326,510	100%	1,326,510
Contractor Insurance	298,464	100%	298,464
Construction Bond Premiums	241,756	100%	241,756
Construction Contingency	1,220,871	100%	1,220,871
Construction Management Fee	200,000	100%	200,000
TOTAL CONSTRUCTION COSTS	25,838,272		25,823,272
FINANCING COSTS			
Gap Loan Costs	91,970	0%	0
Construction Loan Costs	100,000	100%	100,000
Construction Loan Fees	338,000	100%	338,000
Construction Period Interest - Tax Exempt	456,000	100%	456,000
Construction Period Interest - Taxable	220,000	100%	220,000
Post-Construction Interest	331,000	0%	0
Permanent Loan Fees	94,000	0%	0
Bond Issuance Costs	300,000	0%	0
TCAC Fees	53,555	0%	0
TOTAL FINANCING COSTS	1,984,525		1,114,000
OTHER COSTS			
Furnishings, Fixtures & Equipment	251,000	100%	251,000
Marketing Costs	330,478	0%	0
Legal Fees	300,000	100%	300,000
Property Taxes	81,813	0%	0
Soft Cost Contingency	330,436	100%	330,436
Accounting / Audit / Insurance	240,000	100%	240,000
Developer Fees	3,500,000	100%	3,500,000
Other Costs / Reserves	443,476	0%	0
Other Public Subsidy Costs	0	100%	0
TOTAL OTHER COSTS	5,477,203		4,621,436
TOTAL DEVELOPMENT COSTS	\$40,314,147		\$35,572,855
/ TOTAL ELIGIBLE BASIS			
TOTAL BASIS REDUCTION (Amount over Adjusted Threshold Basis Limit or Voluntary Exclusion)			0
TOTAL REQUESTED UNADJUSTED ELIGIBLE BASIS			35,572,855
High Cost Area Adjustment			130%
TOTAL ADJUSTED ELIGIBLE BASIS			46,244,712
Applicable Fraction			100%
TOTAL QUALIFIED BASIS			46,244,711
Total Credit Reduction			0
TOTAL ADJUSTED QUALIFIED BASIS			46,244,711

TAX CREDIT CALCULATION
SWV - Southwest Village - 4% SDHC Proforma

Total Project Cost	\$40,314,147
Total Permanent Sources	<u>(20,678,100)</u>
Funding Shortfall	\$19,636,047
Total Qualified Basis	\$46,244,711
Annual Federal Credits - Calculated	\$1,849,788
Annual Federal Credits - Awarded	\$0
Total Federal Credits (10 Years)	\$18,497,884
Federal Tax Credit Investor Equity	\$17,386,272
Total Requested Unadjusted Basis	\$35,572,855
Total 4 -Year State Credits - Calculated	\$10,671,857
Total 4 -Year State Credits - Awarded	\$3,000,000
State Tax Credit Investor Equity	\$2,249,775
Calculated Acquisition Basis	\$0
Available Acquisition Basis	\$0
Annual Acquisition Credits - Calculated	\$0
Annual Acquisition Credits - Awarded	\$0
Total Acquisition Credits (10 Years)	\$0
Acquisition Tax Credit Investor Equity	\$0
Total Tax Credit Investor Equity (Federal + State+ Acquisition)	\$19,636,047

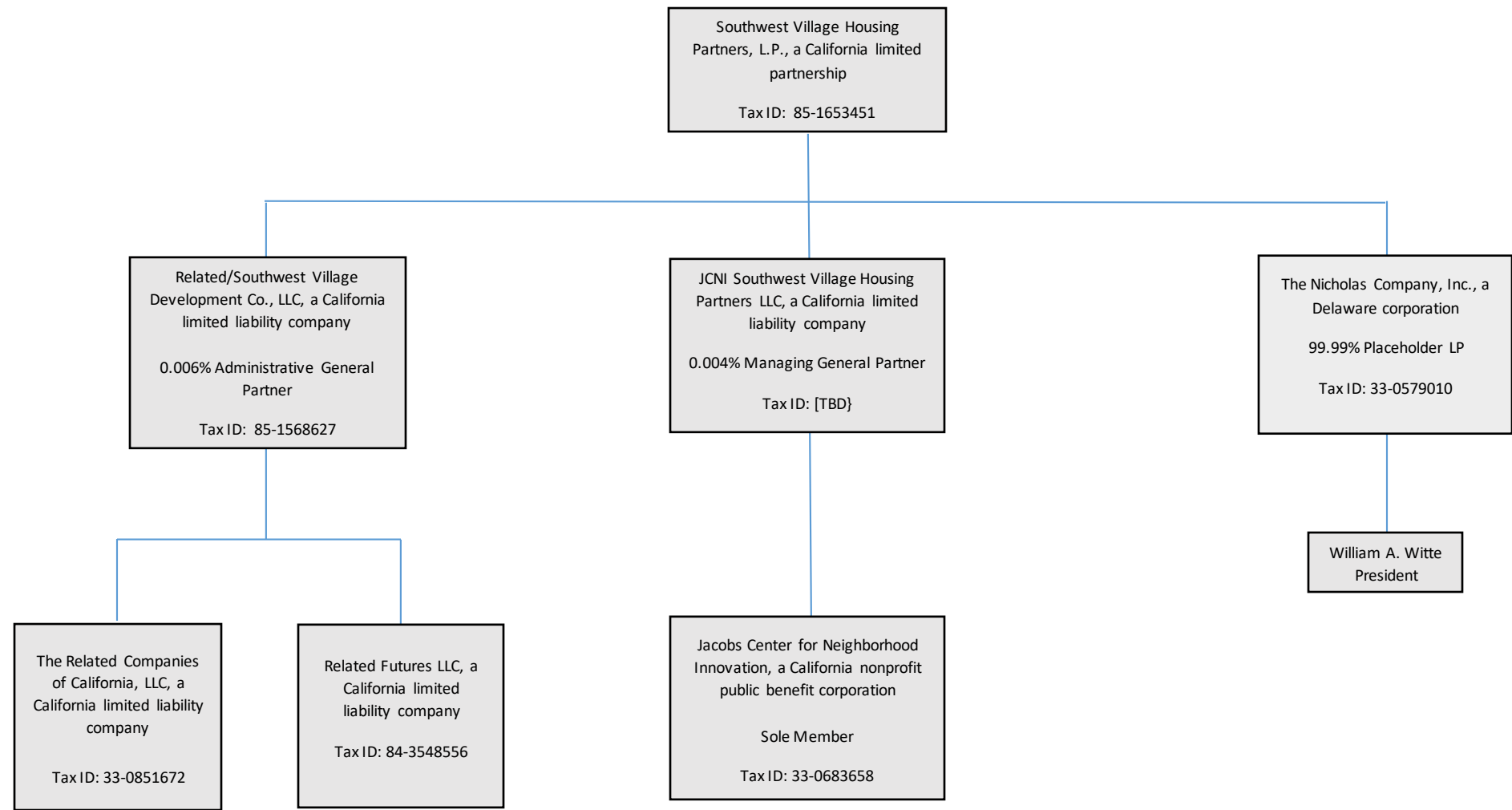
Threshold Basis Limits	(Year 2021)	(0.04)	Units	Limit	Total
Efficiency			0	260,566	0
1 Bedroom			30	300,430	9,012,900
2 Bedrooms			30	362,400	10,872,000
3 Bedrooms			21	463,872	9,741,312
4 Bedrooms			0	516,782	0
			81		29,626,212
Special Features Threshold Basis Limit Increases					
10% Increase: 95% of the project's upper floor units are serviced by an elevator					0
20% Increase: State or Federal Prevailing Wage Requirement					5,925,242
7% Increase: New Construction with Parking beneath Residential Units					0
2% Increase: Day Care Center					0
2% Increase: Special Needs Populations					0
Total Percentage Increase to Unadjusted Eligible Basis (Combined not to exceed 39%)					5,925,242
10% Increase: Energy Efficiency/Resource Conservation/Indoor Air Quality					0
Seismic Upgrading or Environmental Mitigation (15% unadj. eligible basis max.)					50,000
Development Impact Fees					1,391,317
Bond Deals					
Basis Booster: 1% Increase for every 1% of the project's units between 35% and 50% AMI					10,961,698
Basis Booster: 2% Increase for every 1% of the project's units at or below 35% AMI					19,553,300
Adjusted Threshold Basis Limit					\$67,507,770
Total Eligible Basis					\$35,572,855
Over /(Under) Basis Limit					(\$31,934,915)

STABILIZED CASH FLOW ANALYSIS
SWV - Southwest Village - 4% SDHC Proforma

	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INCOME																
Gross Rental Tax Credit Income		938,184	966,330	995,319	1,025,179	1,055,934	1,087,612	1,120,241	1,153,848	1,188,463	1,224,117	1,260,841	1,298,666	1,337,626	1,377,755	1,419,087
Gross Rental Overhang Income		390,912	402,639	414,719	427,160	439,975	453,174	466,769	480,772	495,196	510,051	525,353	541,114	557,347	574,067	591,289
Laundry Income		5,832	6,007	6,187	6,373	6,564	6,761	6,964	7,173	7,388	7,609	7,838	8,073	8,315	8,564	8,821
Vacancy @ 5.0%		(66,746)	(68,749)	(70,811)	(72,936)	(75,124)	(77,377)	(79,699)	(82,090)	(84,552)	(87,089)	(89,702)	(92,393)	(95,164)	(98,019)	(100,960)
EFFECTIVE GROSS INCOME		1,268,182	1,306,227	1,345,414	1,385,776	1,427,350	1,470,170	1,514,275	1,559,703	1,606,495	1,654,689	1,704,330	1,755,460	1,808,124	1,862,367	1,918,238
EXPENSES																
Administrative		(57,690)	(59,421)	(61,203)	(63,039)	(64,931)	(66,879)	(68,885)	(70,951)	(73,080)	(75,272)	(77,531)	(79,856)	(82,252)	(84,720)	(87,261)
Management Fee @ 6.0%		(76,091)	(78,374)	(80,725)	(83,147)	(85,641)	(88,210)	(90,857)	(93,582)	(96,390)	(99,281)	(102,260)	(105,328)	(108,487)	(111,742)	(115,094)
Operating		(117,500)	(121,025)	(124,656)	(128,395)	(132,247)	(136,215)	(140,301)	(144,510)	(148,845)	(153,311)	(157,910)	(162,647)	(167,527)	(172,553)	(177,729)
Maintenance		(64,613)	(66,551)	(68,548)	(70,604)	(72,723)	(74,904)	(77,151)	(79,466)	(81,850)	(84,305)	(86,834)	(89,440)	(92,123)	(94,886)	(97,733)
Salaries		(245,300)	(252,659)	(260,239)	(268,046)	(276,087)	(284,370)	(292,901)	(301,688)	(310,739)	(320,061)	(329,663)	(339,553)	(349,739)	(360,231)	(371,038)
Taxes (escalated at 2.00%)		(1,500)	(1,530)	(1,561)	(1,592)	(1,624)	(1,656)	(1,689)	(1,723)	(1,757)	(1,793)	(1,828)	(1,865)	(1,902)	(1,940)	(1,979)
Insurance		(40,500)	(41,715)	(42,966)	(44,255)	(45,583)	(46,951)	(48,359)	(49,810)	(51,304)	(52,843)	(54,429)	(56,061)	(57,743)	(59,476)	(61,260)
Renting		(3,500)	(3,605)	(3,713)	(3,825)	(3,939)	(4,057)	(4,179)	(4,305)	(4,434)	(4,567)	(4,704)	(4,845)	(4,990)	(5,140)	(5,294)
Social Programs		(46,500)	(47,895)	(49,332)	(50,812)	(52,336)	(53,906)	(55,523)	(57,189)	(58,905)	(60,672)	(62,492)	(64,367)	(66,298)	(68,287)	(70,335)
Replacement Reserves		(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)	(20,250)
SDHC Monitoring Fee		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
TOTAL OPERATING EXPENSES		(683,444)	(703,025)	(723,193)	(743,965)	(765,361)	(787,398)	(810,096)	(833,474)	(857,554)	(882,355)	(907,901)	(934,212)	(961,312)	(989,225)	(1,017,975)
NET OPERATING INCOME		584,738	603,202	622,221	641,811	661,989	682,772	704,179	726,229	748,941	772,334	796,429	821,248	846,812	873,143	900,264
TOD Mandatory debt Service		(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)
BELOW LINE INCOME		542,738	561,202	580,221	599,811	619,989	640,772	662,179	684,229	706,941	730,334	754,429	779,248	804,812	831,143	858,264
DEBT SERVICE																
Permanent Financing		(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)	(466,456)
Cash Flow After Debt Service		76,281	94,746	113,765	133,354	153,532	174,316	195,723	217,773	240,484	263,878	287,973	312,792	338,355	364,686	391,807
Limited Partner Asset Management Fee		(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,150)	(5,150)	(5,150)	(5,150)	(5,150)	(5,305)	(5,305)	(5,305)	(5,305)	(5,305)
Partnership Administration Fee		(20,000)	(20,600)	(21,218)	(21,855)	(22,510)	(23,185)	(23,881)	(24,597)	(25,335)	(26,095)	(26,878)	(27,685)	(28,515)	(29,371)	(30,252)
Cash Flow After Fees		51,281	69,146	87,547	106,500	126,022	145,980	166,692	188,025	209,999	232,632	255,790	279,802	304,535	330,011	356,251
Developer Fee Amount Remaining		1,300,000	1,269,779	1,221,203	1,153,440	1,065,626	956,867	826,388	673,084	495,963	293,998	66,129	0	0	0	0
Interest (AFR = 1.6%)		21,060	20,570	19,783	18,686	17,263	15,501	13,387	10,904	8,035	4,763	1,071	0	0	0	0
Less: Payment From Available Cash Flow		(51,281)	(69,146)	(87,547)	(106,500)	(126,022)	(145,980)	(166,692)	(188,025)	(209,999)	(232,632)	(267,200)	0	0	0	0
Developer Fee Amount Remaining		1,269,779	1,221,203	1,153,440	1,065,626	956,867	826,388	673,084	495,963	293,998	66,129	0	0	0	0	0
Net Cash Flow After Developer Fee Repayment		0	0	0	0	0	0	0	0	0	0	188,590	279,802	304,535	330,011	356,251
Cash Flow to Subsidy Provider		0	0	0	0	0	0	0	0	0	0	94,295	139,901	152,268	165,005	178,125
Cumulative Cash Flow to Partnership		0	0	0	0	0	0	0	0	0	0	94,295	234,196	386,464	551,469	729,595
TOD Residual Receipt Loan Repayment																
Beginning Loan Balance		10,000,000	10,258,000	10,516,000	10,774,000	11,032,000	11,290,000	11,548,000	11,806,000	12,064,000	12,322,000	12,580,000	12,743,705	12,861,804	12,967,536	13,060,531
Accrued Interest at 3.00%		300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Cash Flow Payment		(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(136,295)	(181,901)	(194,268)	(207,005)	(220,125)
Ending Loan Balance		10,258,000	10,516,000	10,774,000	11,032,000	11,290,000	11,548,000	11,806,000	12,064,000	12,322,000	12,580,000	12,743,705	12,861,804	12,967,536	13,060,531	13,140,405
DCR		1.15	1.19	1.22	1.26	1.30	1.34	1.38	1.43	1.47	1.52	1.57	1.62	1.67	1.72	1.77

SOUTHWEST VILLAGE
Southwest Village Housing Partners, L.P.

**Proposed Partnership
Organizational Chart**



HOUSING COMMISSION MULTIFAMILY HOUSING REVENUE BOND PROGRAM SUMMARY

General Description: The multifamily housing bond program provides below-market financing (based on bond interest being exempt from income tax) for developers willing to set aside a percentage of project units as affordable housing. Multifamily housing revenue bonds are also known as “private activity” bonds because the projects are owned by private entities, often including nonprofit sponsors and for-profit investors.

Bond Issuer: Housing Authority of the City of San Diego. There is no direct legal liability to the City, the Housing Authority or the Housing Commission in connection with the issuance or repayment of bonds. There is no pledge of the City’s faith, credit or taxing power nor of the Housing Authority’s faith or credit. The bonds do not constitute a general obligation of the issuer because security for repayment of the bonds is limited to specific private revenue sources, such as project revenues. The developer is responsible for the payment of costs of issuance and all other costs under each financing.

Affordability: Minimum requirement is that at least 20% of the units are affordable at 50% of Area Median Income (AMI). Alternatively, a minimum of 10% of the units may be affordable at 50% AMI with an additional 30% of the units affordable at 60% AMI. The Housing Commission requires that the affordability restriction be in place for a minimum of 15 years. Due to the combined requirements of state, local, and federal funding sources, projects financed under the Bond Program are normally affordable for 30-55 years and often provide deeper affordability levels than the minimum levels required under the Bond Program.

Rating: Generally “AAA” or its equivalent with a minimum rating of “A” or, under conditions that meet IRS and Housing Commission requirements, bonds may be unrated for private placement with institutional investors (typically, large banks). Additional security is normally achieved through the provision of outside credit support (“credit enhancement”) by participating financial institutions that underwrite the project loans and guarantee the repayment of the bonds. The credit rating on the bonds reflects the credit quality of the credit enhancement provider.

Approval Process:

- **Inducement Resolution:** The bond process is initiated when the issuer (Housing Authority) adopts an “Inducement Resolution” to establish the date from which project costs may be reimbursable from bond proceeds (if bonds are later issued) and to authorize staff to work with the financing team to perform a due diligence process. The Inducement Resolution does not represent any commitment by the Housing Commission, Housing Authority, or the developer to proceed with the financing.
- **TEFRA Hearing and Resolution (Tax Equity and Fiscal Responsibility Act of 1982):** To assure that projects making use of tax-exempt financing meet

appropriate governmental purposes and provide reasonable public benefits, the IRS Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located (City Council). This process does not make the City financially or legally liable for the bonds or for the project.

[Note: It is uncommon for the members of the City Council to be asked to take two actions at this stage in the bond process---one in their capacity as the City Council (TEFRA hearing and resolution) and another as the Housing Authority (bond inducement). Were the issuer (Housing Authority) a more remote entity, the TEFRA hearing and resolution would be the only opportunity for local elected officials to weigh in on the project.]

- **Application for Bond Allocation:** The issuance of these “private activity bonds” (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Authority and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- **Final Bond Approval:** The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups, etc.
- **Funding and Bond Administration:** All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders. If rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or Housing Authority, and the trustee has no standing to ask the issuer for funds.

Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Since the Housing Authority is not responsible in any way for bond repayment, there are no financial statements or summaries about the Housing Authority or the City that are included as part of the offering document. The offering document includes a paragraph that states that the Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on behalf of the Housing Authority to issue the

bonds. The offering document also includes a paragraph that details that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to issue bonds. This is the extent of the disclosure required of the Housing Authority, Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which might have an impact on the viability of the project.