



SAN DIEGO  
HOUSING  
COMMISSION

“We’re About People”

# San Diego Housing Commission (SDHC) Preliminary Bond Authorization for Harbor View Apartments

Housing Authority Agenda Item #2 and City Council Agenda Item #204  
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# SDHC – Harbor View Apartments Partnership Development Recommendations

**That the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions:**

**Housing Authority:**

- Issue a bond inducement resolution for up to \$10,000,000 in Multifamily Housing Revenue Bonds for the acquisition and rehabilitation of Harbor View Apartments by Harbor View SD Partners, L.P.;
- 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 \$10,000,000 for Harbor View Apartments;
- Approve the financing team of Jones Hall as Bond Counsel and PFM as Financial Advisor; and





# SDHC – Harbor View Apartments Partnership Development Recommendations (Continued)

## **Housing Authority (Continued):**

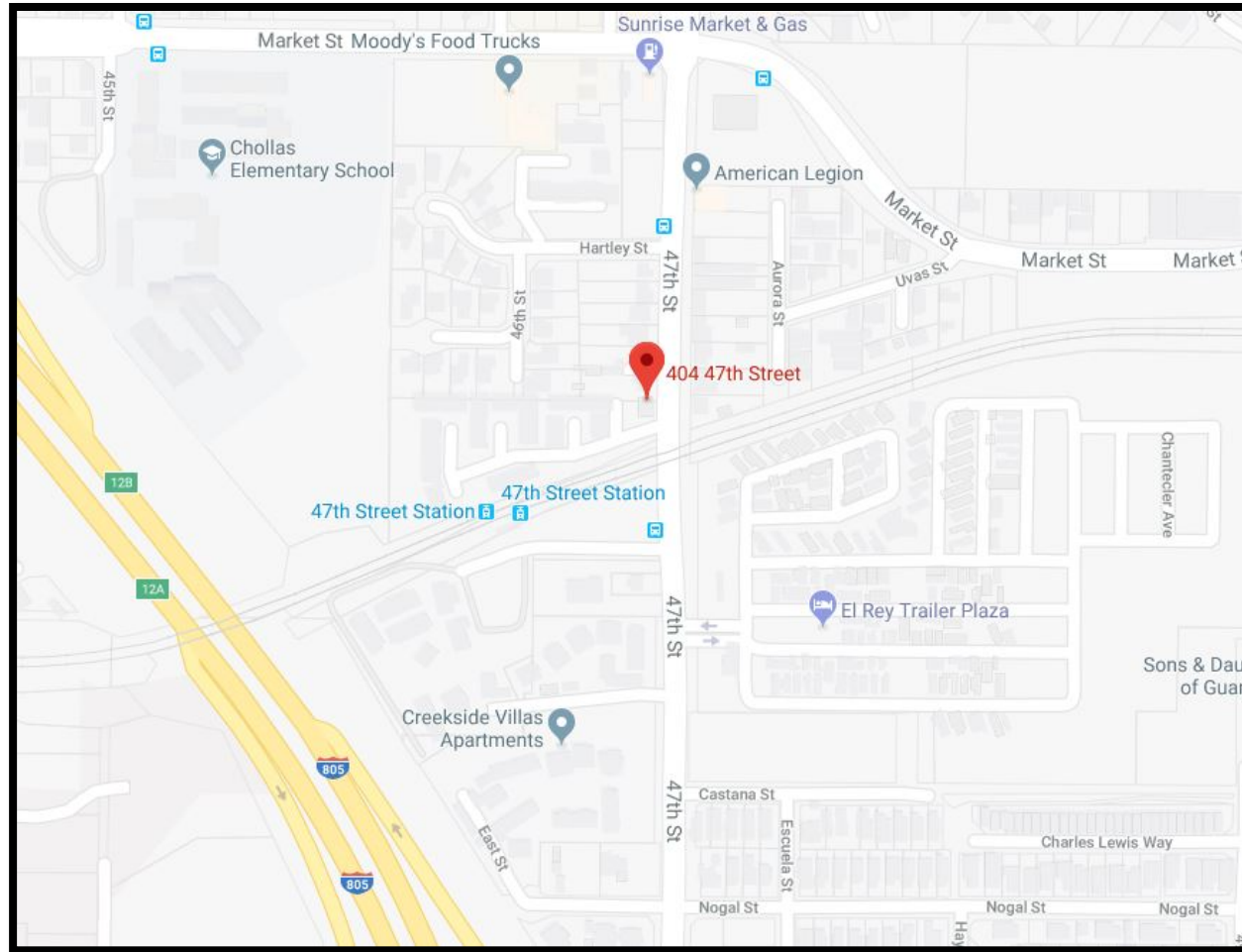
- Authorize SDHC’s President & Chief Executive Officer (President & CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel, and to take such actions as necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or Bond Counsel.

## **City Council:**

- Hold a Tax Equity and Fiscal Responsibility Act (TERFA) public hearing and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$10,000,000.



# SDHC – Harbor View Apartments Partnership Development Site Location





# SDHC – Harbor View Apartments Partnership Development Proposed Scope of Rehabilitation

- Improvements to unit interiors:
  - New countertops;
  - Appliances;
  - Cabinets;
  - Fixtures; and
  - Flooring.
- Exterior building and site improvements.
- Improvements to existing community building.





# SDHC – Harbor View Apartments Partnership Development Development Team Summary

ROLE	FIRM/CONTRACT
<b>Developer</b>	Harbor View SD Partners, L.P.
<b>Owner</b>	Harbor View SD Partners, L.P.
<b>General Partner</b>	Harbor View GP, LLC
<b>Tax Credit Investor Partner</b>	TBD
<b>Property Management</b>	Platinum Realty Management
<b>Construction and Permanent Lender</b>	TBD





# SDHC – Harbor View Apartments Partnership Development

## Estimated Permanent Sources & Uses of Financing

Permanent Financing Sources	Amounts	Permanent Financing Uses	Amounts
Permanent Loan (multifamily housing mortgage revenue bonds)	\$7,918,749	Acquisition Costs	\$7,228,800
4% Tax Credits	\$3,431,986	Hard Costs (including contingency)	\$2,297,614
Income During Construction	\$329,538	Soft Costs	\$387,641
Deferred Developer Fee	\$416,191	Financing Costs	\$620,894
		Reserves	\$204,320
		Developer Fee	\$1,357,195
<b>Total Development Cost</b>	<b>\$12,096,464</b>	<b>Total Development Cost</b>	<b>\$12,096,464</b>





# SDHC – Harbor View Apartments Partnership Development Proposed Rents

Unit Type	AMI	Number of Units	Proposed Gross Rents
2-bedroom	50% AMI	2	\$1,023
3-bedroom	50% AMI	4	\$1,181
2-bedroom	60% AMI	22	\$1,136
3-bedroom	60% AMI	31	\$1,364
3-bedroom Manager	N/A	1	-
<b>Total</b>		<b>60</b>	







# SDHC – Harbor View Apartments Partnership Development Proposed Schedule

Milestones	Estimated Dates
• Housing Authority preliminary bond authorization	• April 9, 2018
• TCAC and CDLAC application	• October 2018
• TCAC and CDLAC allocation meeting	• January 2019
• Housing Commission Final Bond Authorization	• January 2019
• Housing Authority Final Bond Authorization	• January 2019
• Estimated bond issuance and escrow closing	• March 2019
• Estimated start of rehabilitation	• March 2019
• Estimated completion of rehabilitation	• September 2019





# SDHC – Harbor View Apartments Partnership Development

# Questions?

