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San Diego Housing Commission Preliminary Bond Authorization for Pacific Highlands Ranch Village

February 10, 2017

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SDHC – Pacific Highlands Ranch Village Partnership Development Recommendations

- **That the San Diego Housing Commission (SDHC) recommend the Housing Authority of the City of San Diego (Housing Authority):**
 1. Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Pacific Highlands Ranch Village, a 79-unit multifamily affordable housing rental development, located in the Pacific Highlands Ranch community, which will remain affordable for 55 years:
 - Issue a bond inducement resolution for up to \$24,000,000 in Multifamily Housing Revenue bonds for the development of Pacific Highlands Ranch Village by a limited partnership formed by Affirmed Housing Group, located on Block 6000 of Carmel Valley Road at Intersection of Village Center Loop Road;
 - 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 \$24,000,000 for Pacific Highlands Ranch Village;



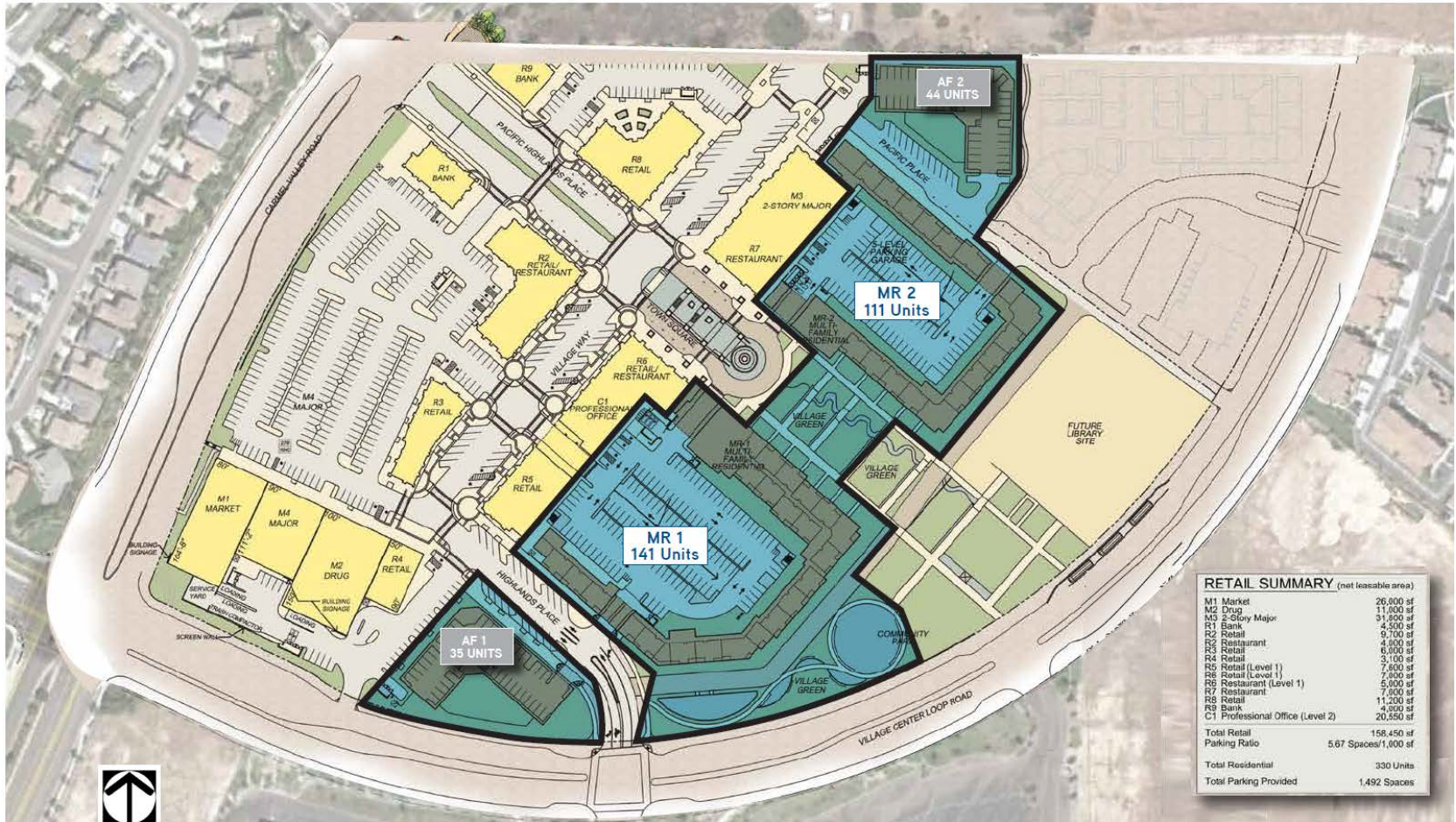


SDHC – Pacific Highlands Ranch Village Partnership Development Recommendations (Cont.)

- Approve the financing team of Stradling Yocca Carlson & Rauth Bond Counsel and Ross Financial as Financial Advisor; and
 - 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 in an amount up to \$24,000,000; and
2. Authorize the 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 – Pacific Highlands Ranch Village Partnership Development Site Location





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SDHC – Pacific Highlands Ranch Village Partnership Development Project Elevations



1 - NW Elevation



2 - NE Elevation





SDHC – Pacific Highlands Ranch Village Partnership Development Development Team Summary

ROLE	FIRM/CONTRACT
Owner	To-be-formed Limited Partner
Administrative General Partner	To-be-formed affiliate of Affirmed Housing Group
Managing General Partner	TBD
Limited Partner	TBD
Developer	Affirmed Housing Group
Architect	Architects Orange
General Contractor	Latitude 33 Planning & Engineering
Property Management	Solari Enterprises
Construction Lender and Permanent Lender	TBD
Land Owner/Seller	R&V Management Corporation





SDHC – Pacific Highlands Ranch Village Partnership Development

Estimated Permanent Sources & Uses of Financing

Permanent Financing Sources	Amounts	Permanent Financing Uses	Amounts
Tax-Exempt Permanent Loan (Series A Bond)	\$8,857,000	Acquisition Costs	\$0
Tax-Exempt Permanent Loan (Series B Bond)	\$1,600,000	Hard Costs	\$18,658,000
Master Dev. Cash Loan	\$800,000	Hard Cost Contingency	\$1,306,000
Master Dev. Improvement Loan	\$3,100,000	Soft Costs	\$7,941,000
GP Equity Loan	\$2,000,000	Financing Costs	\$1,246,000
4% Tax-Credit Equity	\$14,231,000	Reserves	\$231,000
Deferred Developer Fee	\$750,000	Developer Fee	\$1,956,000
Total Development Cost	\$31,338,000	Total Development Cost	\$31,338,000





SDHC – Pacific Highlands Ranch Village Partnership Development Proposed Rents

Unit Type	Restrictions	AMI	Number of Units	Proposed Gross Rents
1-bedroom	TCAC	50% AMI	1	\$796
1-bedroom	TCAC	60% AMI	14	\$956
2-bedroom	TCAC	50% AMI	1	\$956
2-bedroom	TCAC	60% AMI	38	\$1,147
3-bedroom	Bond	50% AMI	6	\$1,063
3-bedroom	Bond	60% AMI	4	\$1,275
3-bedroom	TCAC	60% AMI	14	\$1,326
2 Bedroom–Manager	N/A	N/A	1	-
Total			79	





SDHC – Pacific Highlands Ranch Village Partnership Development Proposed Schedule

Milestones	Estimated Dates
● Housing Authority for preliminary consideration	● March 6, 2017
● City Council IRS-required TEFRA hearing	● March 6, 2017
● CDLAC bond application	● March 17, 2017
● TCAC 4% tax-credit application	● March 17, 2017
● CDLAC and TCAC allocation meetings	● May 17, 2017
● Housing Commission proposed final bond authorization	● July 2017
● Housing Authority proposed final bond authorization	● July 2017
● Estimated bond issuance and escrow closing	● September 2017
● Estimated start of construction	● September 2017
● Estimated completion of construction	● December 2018





SDHC – Pacific Highlands Ranch Village Partnership Development

Questions?

