



SAN DIEGO
HOUSING
COMMISSION

“We’re About People”

San Diego Housing Commission
Beacon Apartments
Loan Recommendation
June 16, 2017

Ted Miyahara
Vice President, Housing Finance,
Programs & Compliance
Real Estate Division





SDHC – HOUSING FIRST – SAN DIEGO

Permanent Supportive Housing Production

- Nearly \$30 Million in development funds over 3 years

Project	Status	SDHC Housing First San Diego Loan Amount	SDHC/ VASH Project Based Vouchers	Total Affordable Units Inclusive of Managers
Cypress	Completed	3,450,000	59	60
Talmadge Gateway	Under Construction	4,800,000	62	63
North Park Senior	Under Construction	-	8	76
Vista Del Puente	Construction Start June 2017	4,100,000	38	52
Nook	Construction Start June 2017	750,000	8	91
Zephyr	Construction Start December 2017	3,000,000	84	85
Twain Veteran	Construction Start December 2017	5,500,000	79	80
Fairmont Family	Construction Start December 2017	-	8	80
Lofts at Normal Heights	Construction Start December 2017	5,200,000	52	53
AL Post 310	Construction Start December 2017	3,114,524	25	43
Encanto Village	Predevelopment	-	8	66
Totals		29,914,524	431	749





SDHC – Beacon Apartments Partnership Development Recommendations

That the San Diego Housing Commission (SDHC):

1. Approve a proposed residual receipts loan of up to \$3,200,000 to a Wakeland Housing to-be-formed limited partnership, for the development of 44 units of affordable rental housing located at 1425 C Street, San Diego:
 - Will remain affordable for 55 years
 - Loan contingent upon receiving necessary third-party funding





SDHC – Beacon Apartments Partnership Development Recommendations (Cont.)

2. Authorize President & Chief Executive Officer to:

- Execute documents;
- Implement approvals (actions necessary, convenient, and/or appropriate to implement with General Counsel advice);
- Adjust financing terms and conditions; and
- Allow substitution of funds as necessary up to \$3,200,000 (total loan may not increase).



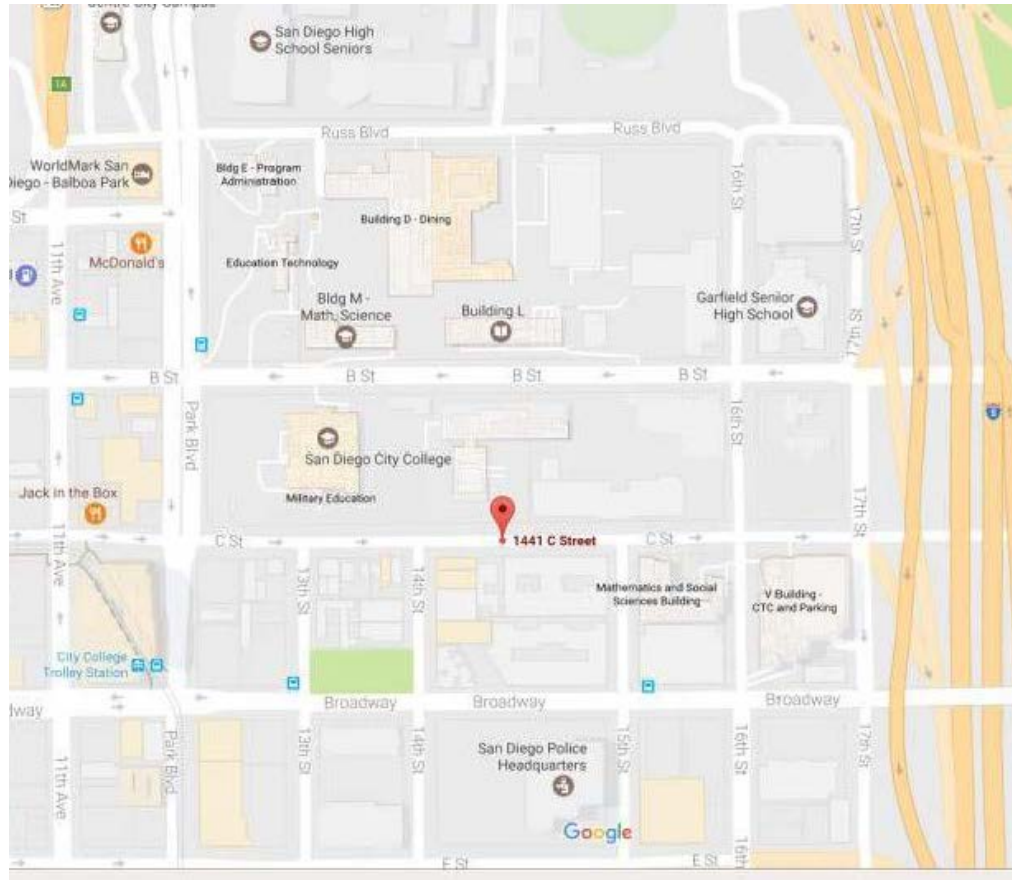


SDHC – Beacon Apartments Partnership Development HOUSING FIRST – SAN DIEGO

- The development is supported by **HOUSING FIRST – SAN DIEGO**, SDHC's Homelessness Action Plan
- Beacon Apartments will include 43 units for homeless individuals.



SDHC – Beacon Apartments Partnership Development Location Map



SDHC – Beacon Apartments Partnership Development Artist's Rendering





SDHC – Beacon Apartments Partnership Development Developer’s Request

- \$3,200,000 residual receipts loan from SDHC; and
- 43 Federal Project-Based Housing Vouchers for homeless individuals, to be awarded by SDHC.



SDHC – Beacon Apartments Partnership Development Estimated Sources & Uses of Financing

Permanent Financing Sources	Amount	Permanent Financing Uses	Amount
Tax Credit Equity	\$10,332,628	Acquisition	\$471,801
Permanent Loan	\$1,788,808	Construction Hard Costs	\$10,142,953
Housing Commission Loan	3,200,000	Soft costs	\$3,321,533
MHSA Funds	\$2,895,046	Reserves	\$2,939,594
City Fee Waiver	\$59,400	Developer Fee	\$1,400,000
Total	\$18,275,881	Total	\$18,275,881

- Estimated Total Development Cost Per Unit (for 44 Units) = \$415,361





SDHC – Beacon Apartments Partnership Development Affordability & Estimated Rents

Unit Type	AMI	Unit Count	TCAC Rent
Living Unit	30%	22	\$426
Living Unit	40%	10	\$568
Living Unit	50%	11	\$709
1-Bedroom Manager	N/A	1	-
Total		44	





SDHC – Beacon Apartments Partnership Development Development Timeline

Milestone	Estimated Date
• 9% California Tax Credit Allocation Committee (TCAC) Application	June 28, 2017
• TCAC 9% Tax Credit Allocation Meeting.	September 20, 2017
• Estimated Escrow/Financing Closing. . .	April 2018
• Estimated Completion. . .	Summer 2019



SDHC – Beacon Apartments Partnership Development

