



SAN DIEGO  
HOUSING  
COMMISSION

“We’re About People”

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

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# 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).



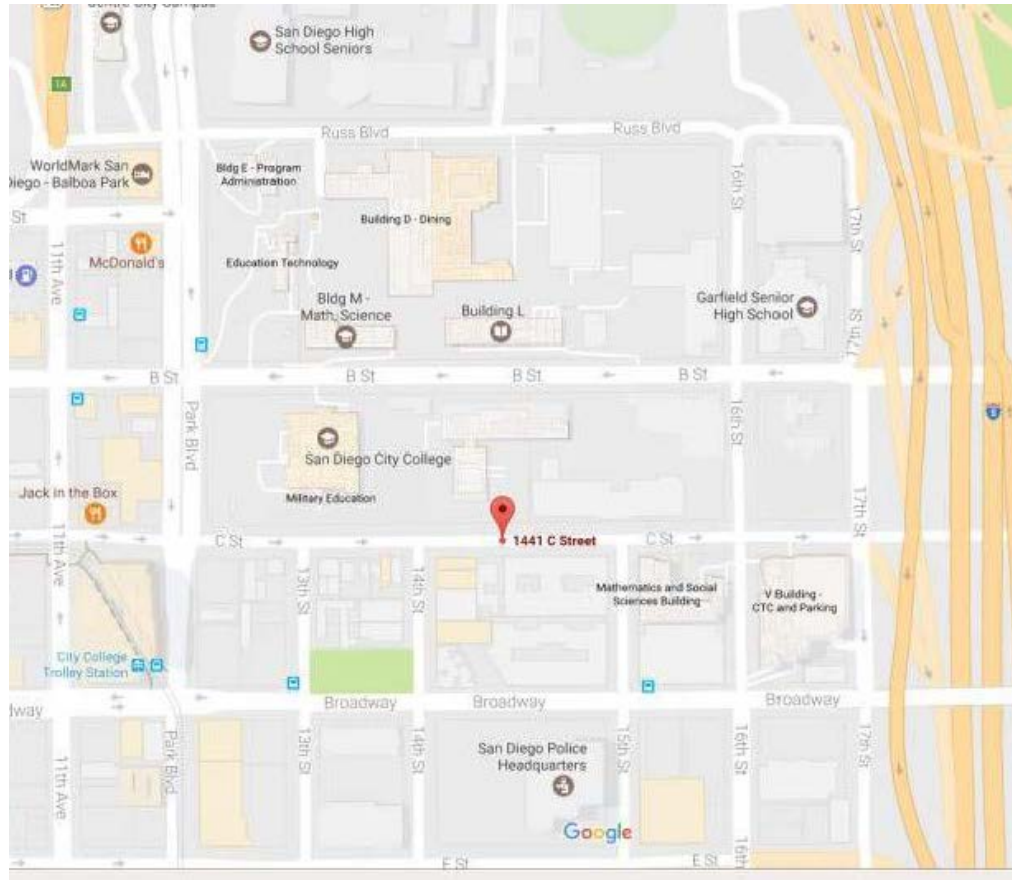


# SDHC – Beacon Apartments Partnership Development HOUSING FIRST – SAN DIEGO

- 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         |
|                             |                     |                          |                     |
| <b>Total</b>                | <b>\$18,275,881</b> | <b>Total</b>             | <b>\$18,275,881</b> |

- 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          | -         |
| <b>Total</b>      |     | 44         |           |





# SDHC – Beacon Apartments Partnership Development Development Timeline

| <b>Milestone</b>   | <b>Estimated Date</b> |
|--|-----------------------|
| ● 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

