



SAN DIEGO  
HOUSING  
COMMISSION

“We’re About People”

# San Diego Housing Commission (SDHC) Final Bond Authorization for Casa Puleta Apartments July 28, 2017

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# SDHC – Casa Puleta Partnership Development Recommendation

## **That the San Diego Housing Commission (SDHC) recommend that the Housing Authority of the City of San Diego (Housing Authority):**

- Authorize the issuance of up to \$5,400,000 in tax-exempt Multifamily Housing Revenue Bonds, which are allocated by the State, to facilitate Casa Puleta Apartments LP's acquisition and rehabilitation of Casa Puleta Apartments, a 54-unit multifamily affordable rental housing development, located at 1445 South 45<sup>th</sup> Street, San Diego, in the Southeastern San Diego neighborhood, which will remain affordable for 55 years;
- Grant an exemption relating to Section 3.2 of the Housing Commission's Multifamily Housing Revenue Bond Program Policy P.O. 300.301, to authorize the use of the California Tax Credit Allocation Committee's methodology for calculating rents for the affordable units.





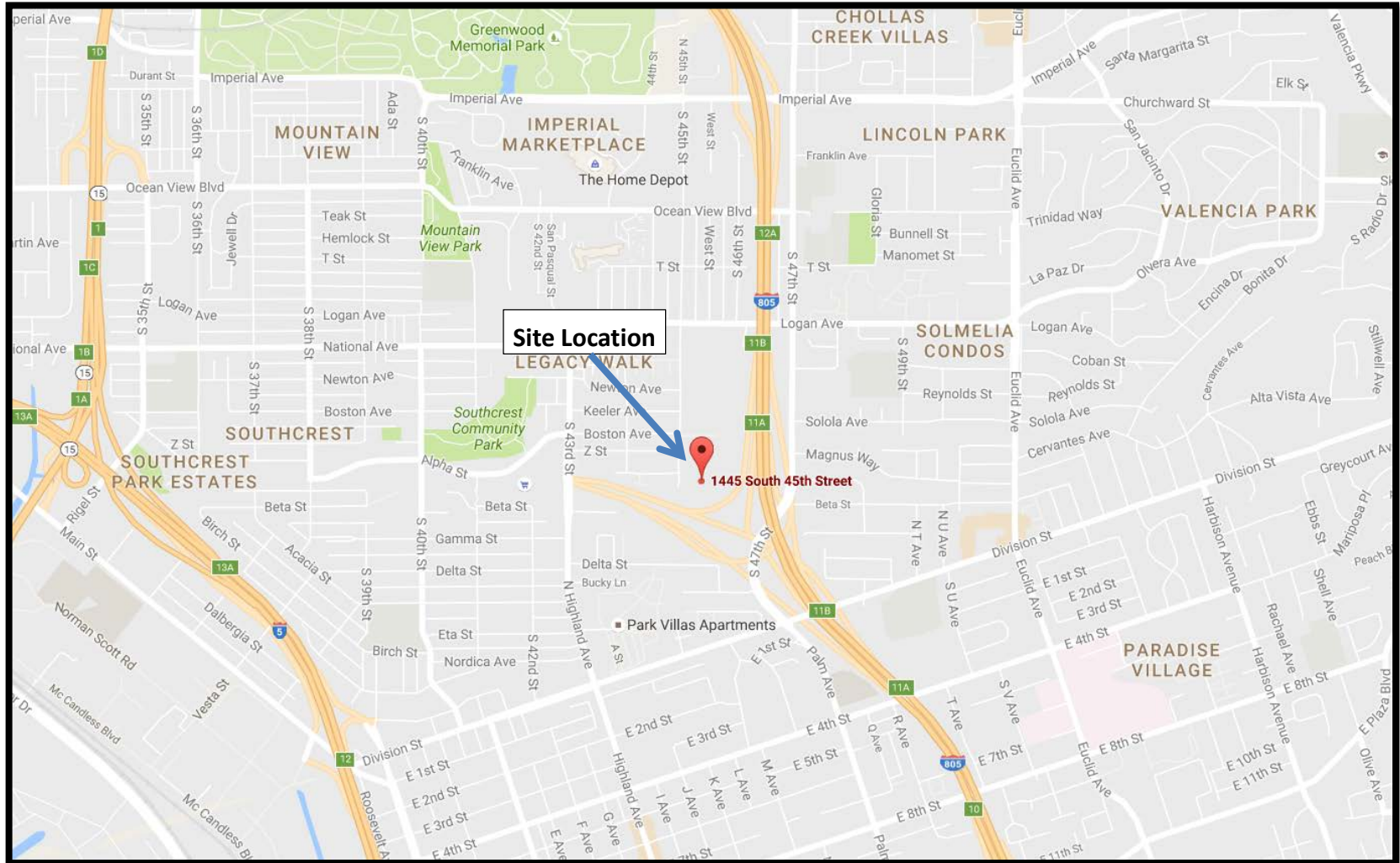
# SDHC – Casa Puleta Partnership Development Recommendation (Continued)

## **That SDHC recommend 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 \$5,400,000.



# SDHC – Casa Puleta Partnership Development Location Map



# SDHC – Casa Puleta Partnership Development Site Photos





# SDHC – Casa Puleta Partnership Development Site Photos (Continued)





# SDHC – Casa Puleta Partnership Development Proposed Scope of Rehabilitation

- Unit Interiors: new countertops, Energy-Star appliances, new cabinets, fixtures, and flooring
- Replacement of air conditioning units and water heaters
- Installation of solar panels
- Renovation of clubhouse





# SDHC – Casa Puleta Partnership Development Development Team Summary

Role	Firm/Contract
<b>Owner</b>	Casa Puleta Apartments, LP
<b>Administrative General Partner</b>	WP Casa Puleta, LLC
<b>Managing General Partner</b>	AOF Casa Puleta, LLC
<b>Tax Credit Investor</b>	CREA, LLC
<b>Developer</b>	Willow Partners, LLC
<b>Architect</b>	John Stewart Construction & Maintenance Services
<b>General Contractor</b>	The John Stewart Company
<b>Property Management</b>	John Stewart Management
<b>Land Owner/Seller</b>	Sun America Housing Fund 1072, LP
<b>Tenant Services Provider</b>	Willow Partners, LLC
<b>Construction and Permanent Lender</b>	CBRE Capital Markets, Inc.





# SDHC – Casa Puleta Partnership Development

## Estimated Permanent Sources & Uses of Financing

Permanent Financing Sources	Amounts	Permanent Financing Uses	Amounts
<b>Tax-Exempt Permanent Loan</b>	\$5,400,000	<b>Acquisition Costs</b>	\$6,241,000
<b>General Partner Equity</b>	\$1,213,000	<b>Hard Costs</b>	\$1,612,324
		<b>Hard Cost Contingency</b>	\$134,608
<b>Other – Rate Lock</b>	\$108,000	<b>Soft Costs</b>	\$536,091
<b>4% Tax-Credit Equity</b>	\$3,139,824	<b>Financing Costs</b>	\$877,136
<b>Income from Operations</b>	\$116,133	<b>Reserves</b>	\$150,000
<b>Deferred Developer Fee</b>	\$820,847	<b>Developer Fee</b>	\$1,246,645
<b>Total Development Cost</b>	<b>\$10,797,804</b>	<b>Total Development Cost</b>	<b>\$10,797,804</b>





# SDHC – Casa Puleta

## Partnership Development Affordability & Estimated Rents

Unit Type	Restrictions	AMI	Number of Units	Estimated Gross Rents
2-bedroom	TCAC	30% AMI	6	\$614
2-bedroom	TCAC	40% AMI	5	\$819
3-bedroom	TCAC	40% AMI	1	\$945
3-bedroom	TCAC	50% AMI	25	\$1,181
4-bedroom	TCAC	50% AMI	2	\$1,318
4-bedroom	TCAC	60% AMI	14	\$1,582
3 Bedroom–Manager		n/a	1	-
<b>Total Units</b>			<b>54</b>	





# SDHC – Casa Puleta Partnership Development Development Estimated Timeline

Milestones	Estimated Dates
• City Council IRS-required TEFRA hearing	• August 1, 2017
• Housing Authority proposed final bond authorization	• August 1, 2017
• Estimated bond issuance and escrow closing	• August 2017
• Estimated start of rehabilitation	• August 2017
• Estimated completion of rehabilitation	• February 2018





# SDHC – Casa Puleta Partnership Development

# Questions?

