



SAN DIEGO
HOUSING
COMMISSION

San Diego Housing Commission Preliminary Bond Authorization for Civita II Family Apartments July 28, 2017

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SDHC – Civita II Family Apartments Partnership Development Recommendation

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

- Issue a bond inducement resolution for up to \$62,000,000 in Multifamily Housing Revenue Bonds for the development of Civita II Family Apartments by Civita II 4% CIC, 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 \$62,000,000 for Civita II Family Apartments;
- Approve the financing team of Quint and Thimmig LLP Bond Counsel and Ross Financial as Financial Advisor; and





SDHC – Civita II Family Apartments Partnership Development Recommendation (Cont.)

- Authorize the Housing Commission 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.

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 \$62,000,000.



SDHC – Civita II Family Apartments Partnership Development Site Location





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SDHC – Civita II Family Apartments Partnership Development Project Elevations





SDHC – Civita II Family Apartments Partnership Development Development Team Summary

ROLE	FIRM/CONTRACT
Owner	Civita II 4% CIC, LP
Administrative General Partner	CIC Civita II, LLC, a California Limited Liability Company
Managing General Partner	To-be-determined
Limited Partner	To-be-determined
Developer	Chelsea Investment Corporation
Architect	KMGY Group, Inc.
General Contractor	Emmerson Construction, Inc.
Property Management	ConAm Management
Construction Lender and Permanent Lender	To-be-determined
Land Owner/Seller	Quarry Falls, LLC





SDHC – Civita II Family Apartments Partnership Development

Estimated Permanent Sources & Uses of Financing

Permanent Financing Sources	Amounts	Permanent Financing Uses	Amounts
Permanent Loan	\$19,850,000	Acquisition Costs	\$10,150,001
4% Tax-Credit Equity	\$42,497,152	Hard Costs	\$58,676,830
		Hard Cost Contingency	\$2,933,842
Master Developer Loan	\$12,422,030	Soft Costs	\$6,824,914
Master Developer Land Note	\$10,150,001	Financing Costs	\$8,124,015
Developer Fee Contribution	\$8,996,278	Reserves	\$653,841
Deferred Contractor Fee	\$2,058,836	Developer Fee	\$12,496,278
Soft Loan Interest	\$3,885,424		
Total Development Cost	\$99,859,721	Total Development Cost	\$99,859,721





SDHC – Civita II Family Apartments Partnership Development Proposed Rents

Unit Type	Restrictions	AMI	Number of Units	Proposed Gross Rents
2-bedroom	TCAC	50% AMI	11	\$1,023
2-bedroom	TCAC	60% AMI	93	\$1,228
3-bedroom	SDHC	50% AMI	10	\$1,136
3-bedroom	TCAC	60% AMI	58	\$1,418
3-bedroom	SDHC	60% AMI	29	\$1,364
3 Bedroom–Manager	N/A	N/A	2	-
Total			203	





SDHC – Civita II Family Apartments Partnership Development Proposed Schedule

Milestones	Estimated Dates
• Housing Authority for preliminary consideration	• August 1, 2017
• City Council IRS-required TEFRA hearing	• August 1, 2017
• CDLAC bond application	• October 13, 2017
• TCAC 4% tax-credit application	• October 13, 2017
• CDLAC and TCAC allocation meetings	• December 13, 2017
• Housing Commission proposed final bond authorization	• February 2018
• Housing Authority proposed final bond authorization	• February 2018
• Estimated bond issuance and escrow closing	• March 2018
• Estimated start of construction	• March 2018
• Estimated completion of construction	• April 2020





SDHC – Pacific Highlands Ranch Village Partnership Development

Questions?

