



EXECUTIVE SUMMARY

MEETING DATE: July 18, 2025

HCR25-052

SUBJECT: Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA)
Hearing for Fourth and Penn

COUNCIL DISTRICT: 3

ORIGINATING DEPARTMENT: Real Estate

CONTACT/PHONE NUMBER: Jennifer Kreutter (619) 578-7709

REQUESTED ACTION:

Take the initial steps to issue up to \$30,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 3703 Fourth Ave. and 412-414 Pennsylvania Ave. in the Uptown Community area, which will consist of 53 units affordable for 55 years for individuals and families earning 30 percent to 50 percent of San Diego's Area Median Income, and one unrestricted manager's unit.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Fourth and Penn project is a proposed 54-unit, transit-oriented, new-construction, affordable rental housing development in the Hillcrest neighborhood.
- It is within 0.1 of a mile from Bus Stop #12025, 0.4 of a mile from a grocery store, 0.4 of a mile from an elementary school, 1.3 miles from a middle school, and 2.4 miles from a high school.
- In addition to five affordable housing units to fulfill the City of San Diego's Density Bonus requirements, the developer has voluntarily elected to restrict the occupancy and rents of an additional 48 dwelling units, so those affordable housing units may fulfill the density bonus obligations of other off-site residential developments.
- The development's proposed unit amenities will include heating / air conditioning, all-electric appliances (refrigerator, stove/oven, dishwasher), garbage disposal, blinds, and prewiring for cable television and internet. Site amenities will include an on-site manager, an open community area, a laundry room, an outdoor courtyard area, bicycle storage, a solar component, a conference room, and a second community room with an outdoor patio on the eighth floor with an adjacent outdoor play area.
- All residents will have access to organized community activities, including social events and celebrations, health and wellness classes, and skill-building and financial education.
- The Fourth and Penn project has an estimated total development cost of \$38,641,616 (\$715,585/unit).
- No SDHC cash loan funds are proposed for the Fourth and Penn development.
- The cost per unit is primarily due to the project's location on a small corner lot that requires additional engineering for electrical, water and sewer infrastructure; increases in costs for construction, labor, interest rates and insurance; fees for permits, water, sewer and schools; and increases in financing fees.
- The developer is Rise Urban Partners, LLC.



REPORT

DATE ISSUED: July 10, 2025

REPORT NO: HCR25-052

ATTENTION: Chair and Members of the San Diego Housing Commission Board of Commissioners
For the Agenda of July 18, 2025

SUBJECT: Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA)
Hearing for Fourth and Penn

COUNCIL DISTRICT: 3

Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) hearings are scheduled to be heard by the San Diego Housing Commission (SDHC) Board of Commissioners on July 18, 2025, at 9 a.m. Any two members of the Housing Authority of the City of San Diego (Housing Authority) or San Diego City Council (City Council) may request that these hearings not take place and instead be heard by the Housing Authority and City Council by giving notice to SDHC's President and Chief Executive Officer, or designee, within seven days of the date of this notice.

REQUESTED ACTION

Take the initial steps to issue up to \$30,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 3703 Fourth Ave. and 412-414 Pennsylvania Ave. in the Uptown Community area, which will consist of 53 units affordable for 55 years for individuals and families earning 30 percent to 50 percent of San Diego's Area Median Income, and one unrestricted manager's unit.

STAFF RECOMMENDATION

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions, as described in this report.

- 1) Approve the following steps to issue up to \$30,000,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 3703 Fourth Ave. and 412-414 Pennsylvania Ave. (Fourth and Penn) in the Uptown Community area, which will consist of 53 units affordable for 55 years for individuals and families earning 30 percent to 50 percent of San Diego's Area Median Income (AMI), and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$30,000,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the development of 4th & Penn by a to-be-formed California limited partnership.
 - b. 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 \$30,000,000 for 4th & Penn.
 - c. Approve the financing team of Orrick, Herrington & Sutcliffe LLP as the Bond Counsel and Public Financial Management, Inc as the Financial Advisor.
- 2) Authorize SDHC's President and Chief Executive Officer (President and 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 are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.

- 3) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing regarding the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$30,000,000 to facilitate the development of Fourth and Penn.

SUMMARY

Table 1 – Development Details

Address	3703 Fourth Ave. and 412-414 Pennsylvania Ave., San Diego, CA 92103
Council District	3
Community Plan Area	Uptown Community Planning Group
Developer	Rise Urban Partners LLC
Development Type	Acquisition and New Construction
Construction Type	Type IA (Levels 1-3), IIIA (Levels 4-8) 8-story building
Parking Type	11 surface parking spaces (Transit-Oriented Development)
Local Amenities	<p><u>Mass Transit:</u> Fourth Avenue and Robinson Avenue Bus Stop ID #12025 (0.1 of a mile from property)</p> <p><u>Grocery:</u> Whole Foods (0.4 of a mile from property)</p> <p><u>Schools:</u> Florence Elementary School (0.4 of a mile from property) Roosevelt Middle School (1.3 miles from property) San Diego High School (2.4 miles from property)</p>
Housing Type	Affordable housing for individuals and families
Accessibility	Wheelchair accessibility in 15 percent of the units, and 10 percent of the units accessible to residents with visual and/or hearing impairment.
Lot Size	0.20 of an acre (9,006 square feet)
Units	53 affordable units and one unrestricted manager's unit
Density	265 units/acre (number of affordable units ÷ 0.20 acres)
Unit Mix	7 studios, 13 one-bedroom units, 20 two-bedroom units, 14 three-bedroom units
Gross Building Area	63,240 square feet
Net Rentable Area	42,910 square feet
Affordable Units in Service by Council District	Council District 3 includes 8,954 affordable rental housing units currently in service, which represents 31 percent of the 28,468 affordable rental housing units in service citywide.

The Development

The Fourth and Penn project is a proposed 54-unit, transit-oriented, new-construction, affordable rental housing development at 3703 Fourth Ave. and 412-414 Pennsylvania Ave. in the Hillcrest neighborhood of

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San Diego in Council District 3 (Attachment 1 – Site Map). The 53 affordable apartments will be general affordable housing units for households with low income, including large families, consistent with California Tax Credit Allocation Committee (CTCAC) definitions and regulations. There will be one unrestricted manager's unit.

In addition to five affordable housing units to fulfill the City of San Diego's Density Bonus requirements, the developer has voluntarily elected to restrict the occupancy and rents of an additional 48 dwelling units, so those affordable housing units may fulfill the density bonus obligations of other off-site residential developments. The owner of each development utilizing these affordable housing units to fulfill their density bonus obligations shall be required to execute a recorded addendum against the real property. The developer is pursuing funding from market-rate developers, to be solidified before closing. The current off-site loan is structured as a loan from the nonprofit. The nonprofit's source of funds for the loan will be solidified as negotiations with potential offsite developers are finalized.

A concrete podium deck will comprise the first through third floors (with a concrete slab-on-grade foundation), and the fourth through eighth floors will utilize wood-frame construction. The first floor will contain a leasing office, parking, and laundry facilities, while floors 2-7 will be residential. The exterior will be composed of stucco, metal and poured concrete. The development's proposed unit amenities will include heating / air conditioning, all-electric appliances (refrigerator, stove/oven, dishwasher), garbage disposal, blinds, and prewiring for cable television and internet. Site amenities will include an on-site manager, an open community area, a laundry room, an outdoor courtyard area, bicycle storage, a solar component, a conference room, and a second community room with an outdoor patio on the eighth floor with an adjacent outdoor play area. The development will consist of studio, one-, two-, and three-bedroom units, along with associated common areas, an elevator, and landscape improvements.

The Fourth and Penn development will include 11 surface (non-assigned) parking spaces for the proposed 54 new units. The developer noted that the site is located in a Transit Priority Area with nearby public transit options (two bus stops at opposite ends of Fourth and Robinson Avenues), as well as walkability to daily needs, such as grocery stores, drug stores, and other retail services nearby, distance are noted in Table 1.

Services

Residents of the Fourth and Penn development will have access to a range of general community services. All residents will have access to organized community activities, including social events and celebrations, health and wellness classes, and skill-building and financial education. The developer will select a service provider at the time of CDLAC submittal.

Prevailing Wages

The Fourth and Penn development is not subject to payment of federal prevailing wages because the proposed financing does not include federal funds. The development is also not subject to California state prevailing wages, as the developer is not proposing to use California state financing that requires payment of such wages.

Appraisal

An appraisal of the subject site with an effective date of June 6, 2025, concluded the market value of the "as is" property is \$3,682,000. The developer obtained the appraisal, which Kidder Matthews conducted.

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Relocation

The developer plans to demolish the existing commercial structure and residential building with two one-bedroom units to construct a new, eight-story building consisting of 53 affordable residential rental apartment units and one unrestricted manager's unit. The commercial structure is a dentist office that is operated by the current property seller. Due to the property being owned by the seller, relocation assistance and benefits do not apply.

Based on California Department of Housing and Community Development's ("HCD") 2025 income limits, 412 Pennsylvania Avenue is occupied by a one-person moderate-income household and 414 Pennsylvania Avenue is occupied by a two-person above moderate-income household (including a disabled veteran). The total estimated rental and moving assistance cost is \$26,100 as accounted for in the development budget. Tenants will also be given 6 months' notice to vacate the property meeting HCA requirements. The Developer has contracted with RSG, Inc, to prepare a Relocation Plan that complies with the requirements of California Relocation Law and Guidelines. SDHC will receive the final relocation plan prior to final bond issuance.

Accessibility

CTCAC requires wheelchair accessibility in 15 percent of the units, and an additional 10 percent of the units are required to have communication features for residents with visual and/or hearing impairment. The same units can satisfy both of these accessibility requirements. The Fourth and Penn development's units will be accessible in accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act.

Project Sustainability

The Fourth and Penn development will be constructed in conformance with CTCAC minimum energy efficiency standards. The development's features will include Energy Star-rated efficient appliances and a solar component for the common area's electrical load. Water efficiency and conservation have been incorporated into the development's design, including low-flow fixtures and drought-resistant landscaping.

Development Team

Rise Urban Partners, LLC, will lead the development team. The project sponsor will be a to-be-formed limited partnership, whose general partners will include a to-be-formed limited liability company, which will be a subsidiary of Rise Urban Partners, LLC, and a nonprofit organization. (Attachment 2 – Organization Chart).

National Housing Corporation is a San Marcos-based affordable housing nonprofit. Limited partners will include Red Stone Equity, LLC, a subsidiary of the tax credit syndicator Red Equity Partners, and a to-be-determined investor.

Rise Urban Partners, LLC, specializes in the development and financing of multifamily affordable housing, including but not limited to the use of low-income housing tax credits. Its principals have developed over 550 units of multifamily affordable housing in the last 10 years.

The development will be built by a to-be-determined general contractor. Studio E is providing architectural services. Red Stone Equity Partners has been engaged to serve as tax credit syndicator. The to-be-formed limited partnership will own and operate the Fourth and Penn property.

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Based upon the developer's experience and past development performance, SDHC staff has determined that the developer has the requisite capacity to successfully complete the proposed Fourth and Penn development.

Table 2 - Development Team Summary

ROLE	FIRM/CONTACT
Developer	Rise Urban Partners, LLC (Rise Urban)
Owner/Borrower	To-be-formed California limited partnership
Managing General Partner	National Housing MGP, LLC
Administrative General Partner	To be determined
Tax Credit Investor Limited Partner	Redstone Equity Partners
Architect	Studio E Architects
General Contractor	To be determined
Property Management	ConAm Management Corporation
Construction / Permanent Lender	To be determined
Tenant Services Provider	To be determined

Property Management

The Fourth and Penn property will be managed by ConAm Management Corporation (ConAm). Established in 1975, ConAm is a nationwide management company, based in San Diego, with a management portfolio of approximately 300 properties in California and over 500 properties nationwide, spanning more than 26 metropolitan areas. It is experienced in property management, marketing, maintenance, renovations and tax credit developments. ConAm currently manages two developments for Rise Urban and is slated to also manage two more properties currently under construction. Rise Urban's Asset Management Department will oversee ConAm.

FINANCING STRUCTURE

The Fourth and Penn project has an estimated total development cost of \$38,641,616 (\$715,585/unit). Financing will include a combination of sources as described in Table 3. The developer's *pro forma* is included as Attachment 3 and summarized below. No SDHC cash loan funds are proposed for the Fourth and Penn development.

Table 3 – Estimated Sources and Uses of Financing

Financing Sources	Amount	Financing Uses	Amount	Per Unit
4 Percent Federal Tax Credit Equity	\$15,345,220	Land Acquisition and Closing Costs	\$3,672,000	\$68,000
Bond-Financed Permanent Loan	7,326,254	Construction Cost	22,630,388	419,081
MGP Off-site Loan	12,650,000	Financing Cost	2,023,094	37,465
Subordinate Accrued Interest	510,000	Soft Costs	4,469,777	82,774
Deferred Developer's Fee	2,810,142	Permits and Fees	1,283,336	23,765
		Reserves	237,717	4,402
		Developer's Fee	4,325,304	80,098
Total Sources	\$38,641,616	Total Uses	\$38,641,616	\$715,585

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Developer Fee

\$4,325,304 - gross developer fee

- 2,810,142 - minus deferred developer's fee

\$1,515,162 - net cash developer's fee

The proposed developer fee complies with SDHC's developer fee guidelines.

Development Cost Key Performance Indicators

SDHC staff has identified development cost performance indicators, which were used to evaluate the proposed development. The key performance indicators listed in Table 4 are commonly used by real estate industry professionals and affordable housing developers.

Table 4 – Key Performance Indicators

Development Cost Per Unit	$\$38,641,616 \div 54 \text{ units} =$	\$715,585
Development Cost Per SQ FT (Gross)	$\$38,641,616 \div 63,240 \text{ sq. ft.} =$	\$611
Development Cost Per SQ FT (Net)	$\$38,641,616 \div 42,910 \text{ sq. ft.} =$	\$901
Acquisition Cost Per Unit	$\$3,672,000 \div 54 \text{ units} =$	\$68,000
Gross Building Square Foot Hard Cost	$\$22,630,388 \div 63,240 \text{ sq. ft.} =$	\$358
Net Rentable Square Foot Hard Cost	$\$22,630,388 \div 42,910 \text{ sq. ft.} =$	\$527

Project Comparison Chart

Multiple factors and variables influence the cost of developing multifamily affordable housing, including but not limited to project location, site conditions, environmental factors, land use approval process, community involvement, construction type, design requirements/constraints, economies of scale, City fees, developer experience and capacity, and the mission and goals of the organization developing the project. Similar construction-type developments (completed or approved) over recent years are listed in Table 5.

These developments are similar in terms of new construction, size and construction type and are provided as a comparison to the subject development.

Table 5 – Comparable Development Projects

New Construction Project Name	Year	Units	Total Development Cost	Cost Per Unit	HC Subsidy Per Unit	Gross Hard Cost Per Sq. Ft.
Proposed Subject – Fourth and Penn	2025	54	\$38,641,616 (w/o prevailing wage)	\$715,585	\$0	\$358
Grant at Mission Trails	2025	48	\$42,159,738 (with prevailing wage)	\$878,328	\$45,833	\$423
Serra Mesa	2025	60	\$43,803,370 (with prevailing wage)	\$730,056	\$41,667	\$648
Hillcrest Hall	2024	98	\$64,587,091 (with prevailing wage)	\$659,052	\$51,020	\$581

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The Fourth and Penn development's \$715,585 cost per unit is primarily due to the following factors:

- Small corner lot: This project is a relatively small lot on a corner that requires additional engineering for electrical, water and sewer infrastructure. This has resulted in higher than anticipated bids for subcontractors on most trades.
- Construction, Interest Rates, and Insurance Cost Increases: Rising construction costs, labor costs, interest rates, and volatility in the insurance market contribute significantly to the total development costs.
- Fees: Fees have increased for both processing permits, as well as for water, sewer and school.
- Financing Fees: Similar to permit fees and interest rates, there has been an increase in financing fees and subordinate loan interest.

TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS

SDHC utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, developments are brought before the SDHC Board. SDHC bond inducement resolutions must be obtained prior to application submittal, and City Council TEFRA resolutions must be secured by the time of project closing. These actions do not obligate the Housing Authority to issue bonds.

The SDHC Board is authorized to hold TEFRA hearings pursuant to Multifamily Mortgage Revenue Bond Program Policy Amendments the Housing Authority approved March 9, 2021 (Report No. HAR20-043; Resolution No. HA-1906).

The developer plans to submit a bond allocation application to CDLAC on September 9, 2025, for a November 19, 2025, bond allocation meeting (dates are subject to change at CDLAC's discretion). However, if necessary, staff will submit additional applications to CDLAC to secure a bond allocation for the proposed development.

The developer will be seeking a CDLAC bond allocation of approximately \$30,000,000 in tax-exempt Multifamily Housing Revenue Bonds. The developer proposes to have the Housing Authority issue the bonds through a tax-exempt private placement bond issuance. The bonds will meet all requirements of SDHC's Multifamily Housing Revenue Bond Program policy and will fully comply with the City of San Diego's (City) ordinance on bond disclosure. The developer proposes that the bonds will be used to provide construction and permanent financing for the project. SDHC staff will later return to the SDHC Board and Housing Authority for approval of the final bonds and transaction documents. A general description of the Multifamily Housing Revenue Bond Program and actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings are described in Attachment 4.

Staff recommends assigning Orrick, Herrington & Sutcliffe LLP as the Bond Counsel and Public Financial Management, Inc as the Financial Advisor to work on the development. The proposed bond financing team members have been selected in accordance with the existing policy for the issuance of bonds. Financial Advisors and Bond Counsels are selected in accordance with SDHC's Bond Program Policy.

AFFORDABLE HOUSING IMPACT

Affordability

The Fourth and Penn development will be subject to applicable tax credit and bond regulatory agreements, which will restrict affordability of 53 units for 55 years. CTCAC's required rent and occupancy restrictions will apply.

Table 6 – Affordability & Monthly Estimated Rent Table

Unit Type	AMI	Units	CTCAC Gross Rents
Studio	30% (\$34,750/year for one-person household)	1	\$868
Studio	50% (\$57,900/year for one-person household)	6	\$1,447
Subtotal Studio Units		7	
One bedroom	30% (\$39,700/year for two-person household)	1	\$930
One bedroom	50% (\$66,150/year for two-person household)	12	\$1,550
Subtotal One-Bedroom Units	--	13	--
Two bedrooms	30% (\$44,650/year for three-person household)	2	\$1,116
Two bedrooms	50% (\$74,450/year for three-person household)	17	\$1,861
Subtotal Two-Bedroom Units	--	19	--
Three bedrooms	30% (\$49,600/year for four-person household)	2	\$1,240
Three bedrooms	50% (\$82,700/year for four-person household)	12	\$2,068
Subtotal Three-Bedroom Units	--	14	--
Manager's two-bedroom unit	--	1	
Total Units	--	54	--

FISCAL CONSIDERATIONS

The funding sources and uses proposed to be approved by this action are included in SDHC's Housing Authority-approved Fiscal Year (FY) 2026 budget.

Funding sources to be approved by this action will be:

Bond Issuer Fee – (\$30,000,000 [Tax-exempt bonds] X 0.0025) = \$75,000

Total Funding Sources – up to \$75,000

Funding uses to be approved by this action will be:

Administrative costs – \$75,000

Total Funding Uses – up to \$75,000

SDHC Board approval of the bond inducement and holding a TEFRA hearing do not commit the Housing Authority to issue the bonds. The bonds would not constitute a debt of the City. If bonds are ultimately issued for the development, the bonds will not financially obligate the City, the Housing Authority or SDHC because security for the repayment of the bonds will be limited to specific private revenue sources of the development. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the SDHC annual administrative fee, as well as SDHC Bond Counsel and Financial Advisor fees.

Estimated Development Schedule

The estimated development timeline is as follows.

Milestones	Estimated Dates
<ul style="list-style-type: none">• CDLAC bond & CTCAC tax credit applications• CDLAC & CTCAC allocation meetings• SDHC Board final bond authorization• Housing Authority final bond authorization• Estimated Bond issuance and escrow/loan closing• Estimated start of construction work• Estimated completion of construction work	<ul style="list-style-type: none">• September 9, 2025• November 19, 2025• March 2026• April 2026• May 2026• May 2026• March 2028

SDHC STRATEGIC PLAN

This item relates to Strategic Priority Area No. 1 in SDHC’s Strategic Plan for Fiscal Year (FY) 2022-2024: Increasing and Preserving Housing Solutions. SDHC is in the process of developing a new Strategic Plan.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS

Rise Urban is scheduled to present the proposed development as an informational item to the Uptown Community Planning Group on October 7, 2025.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders include Rise Urban Partners LLC, as the owner (Trestle Development and Colossians 3 Heart LLC as the joint venture partners who make up Rise Urban), Craig Schindler as the property seller, the Uptown Community Planning Group, and future residents of the Fourth and Penn development. The development is anticipated to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and create 53 new affordable rental homes for low-income individuals and families and one unrestricted manager’s unit.

STATEMENT for PUBLIC DISCLOSURE

The Developer’s Disclosure Statement is at Attachment 5.

NONDISCRIMINATION ASSURANCE

At SDHC, we’re about people. We are committed to ensuring a compassionate, person-centered approach to SDHC’s programs, policies, projects and activities and to serving our community impartially, fairly and without bias. We are also committed to ensuring compliance with all applicable federal, state and local laws and protections to the extent that they affect this action relative to nondiscrimination.

Rise Urban is committed to building and preserving high-quality, service-enriched affordable homes that promote stability, opportunity, and dignity for all individuals regardless of race, ethnicity, income, age, ability, gender identity, or background. Staff has requested a workforce report for record-keeping purposes only.

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ENVIRONMENTAL REVIEW

California Environmental Quality Act

This activity is not a “project” and is therefore not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(3). This determination is predicated on Section 15004 of the Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review. This action does not constitute approval of a project. Approval will occur once the environmental review has been completed in accordance with CEQA Section 15004. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process. The proposed actions are approval of preliminary steps to issue bonds and do not constitute approval of the development activity or authorization for the issuance of bonds. Future actions to consider and approve development entitlement approvals related to the future development of the site will require additional review under the provisions of CEQA by the lead agency.

National Environmental Policy Act

Processing under the National Environmental Policy Act is not required because no federal funds are included in the proposed activity.

Respectfully submitted,

Jennifer Kreutter

Jennifer Kreutter
Vice President, Multifamily Housing Finance
Real Estate Division

Approved by,

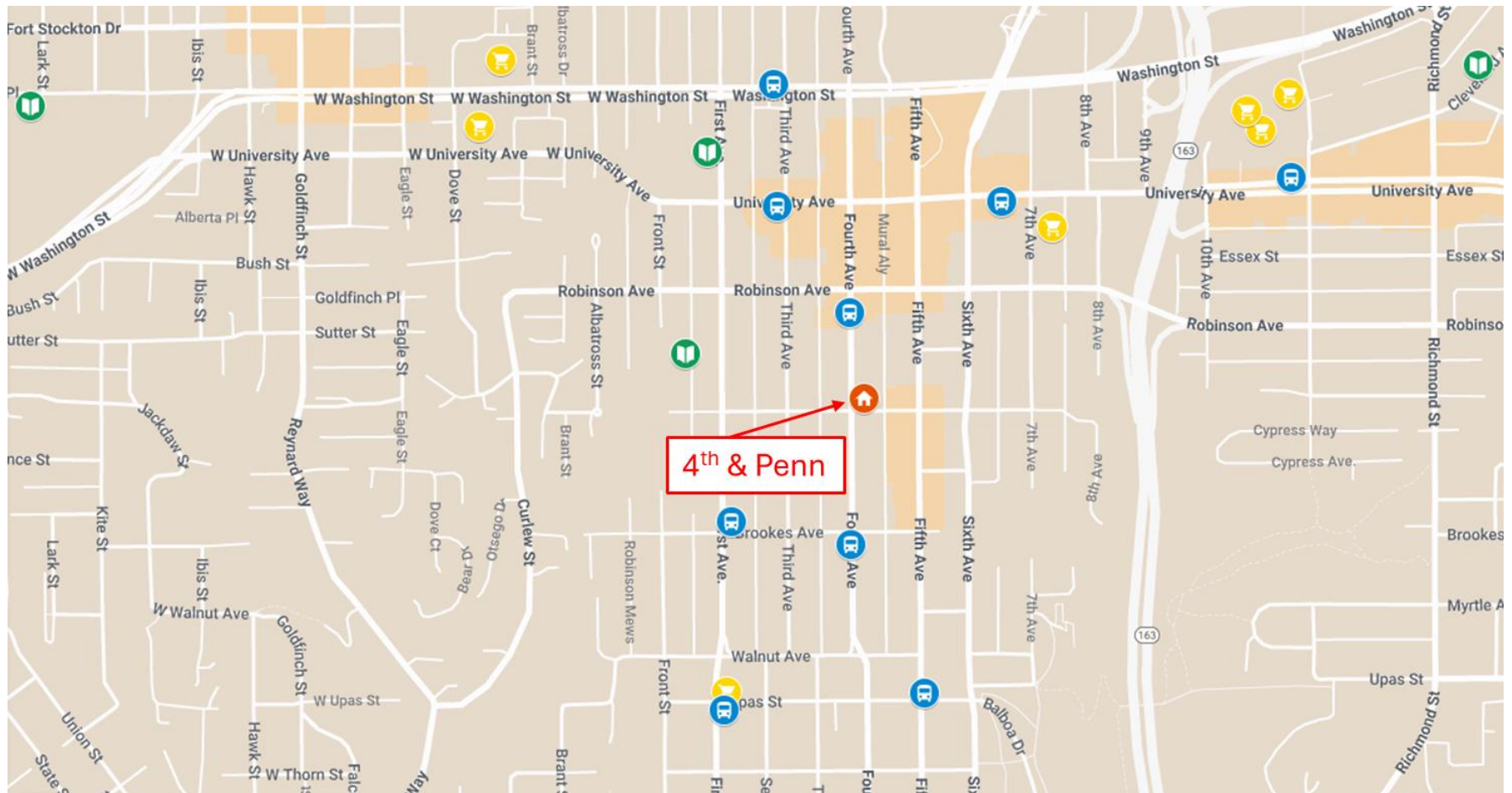
Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

Attachments: 1) Site Map
2) Organization Chart
3) Developer’s Project Pro forma
4) Multifamily Housing Revenue Bond Program
5) Developer’s Disclosure Statements

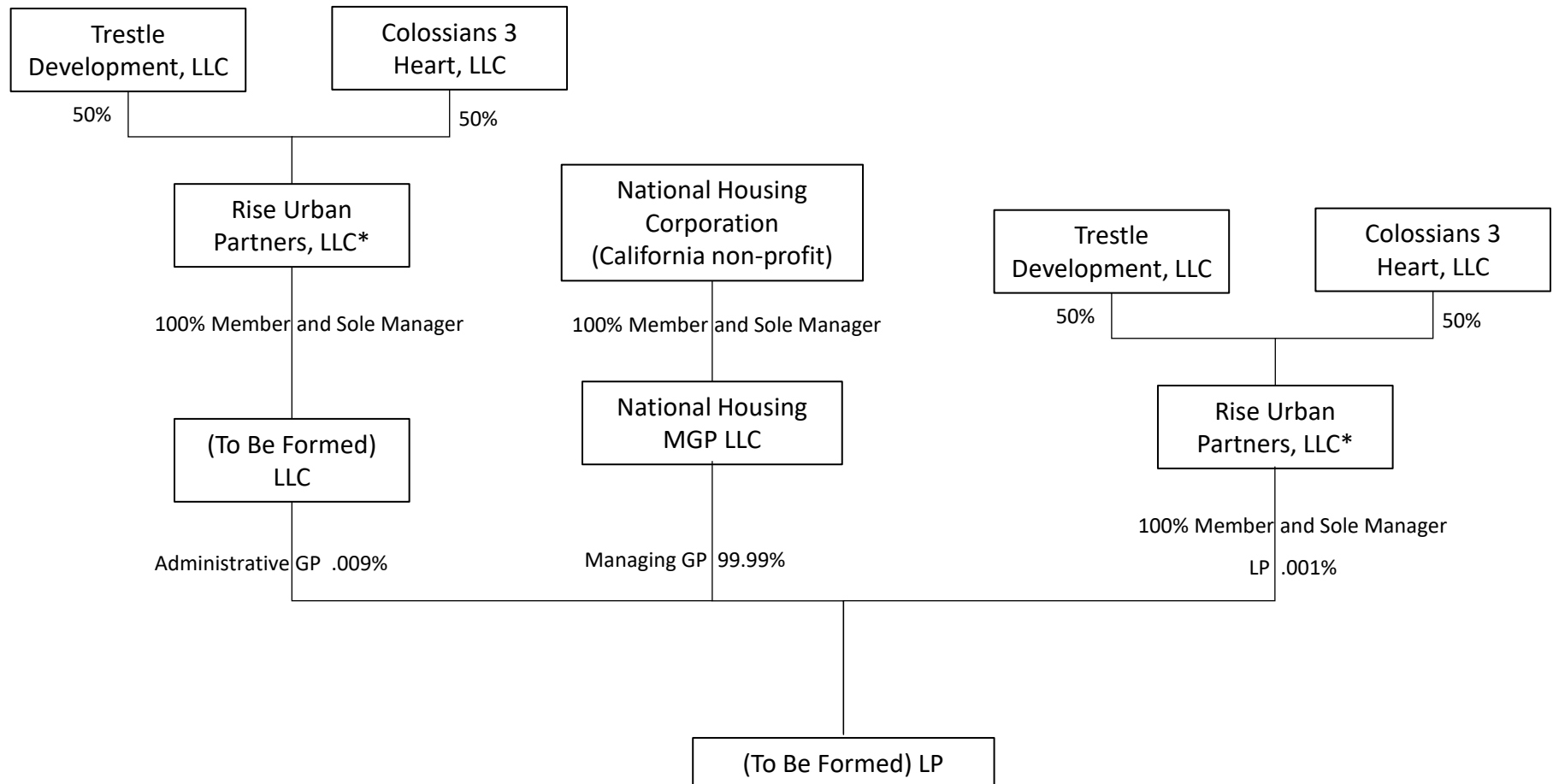
A printed copy is available for review during business hours at the information desk in the main lobby of SDHC’s offices at 1122 Broadway, San Diego, CA 92101. Docket materials are also available in the “Governance & Legislative Affairs” section of SDHC’s website at www.sdhc.org.

Attachment #1 – Site Map



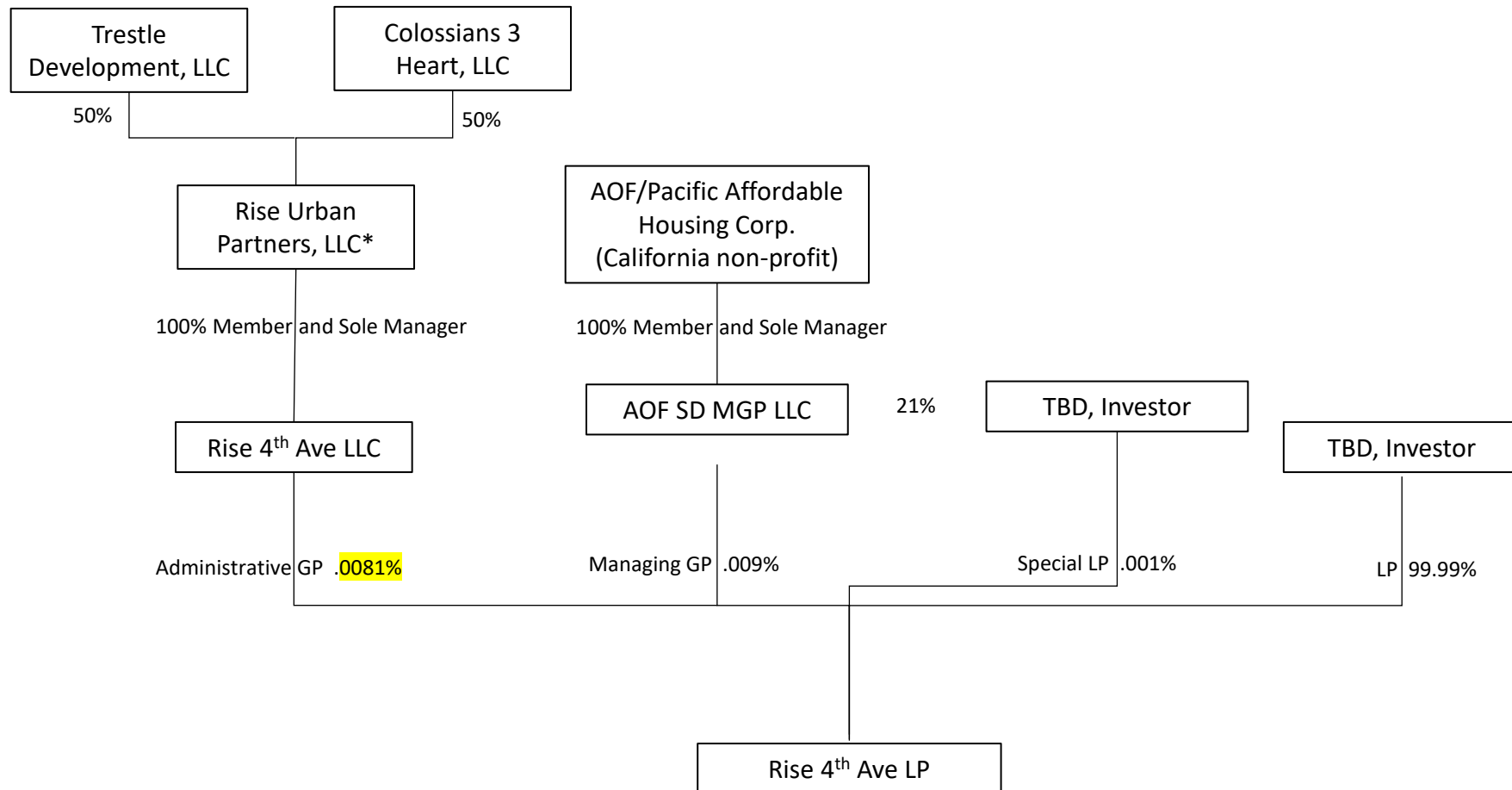
Org Chart
(To Be Formed) LP

Attachment 2



*David Allen and Rob Morgan are managers

Rise 4th Ave LP – Org Chart (Post LIHTC Closing)



*David Allen and Rob Morgan are managers



4th and Penn

PROJECT SUMMARY

DRAFT VERSION 6/10/2025
PROJECT STAGE: Preliminary Draft

GENERAL INFORMATION				DEVELOPMENT PROGRAM			
PROJECT NAME	4th and Penn			SITE SF	9,000		
UNIT COUNT	54	261 DU/A		ZONING	Density Bonus		
GENERAL PARTNER	Rise Urban Partners, LLC			PROJECT TYPE	New Construction		
LIMITED PARTNER	TBD			CONSTRUCTION TYPE	Type III		
ADDRESS	3703 4th Ave.			BUILDING STORIES	8		
COUNTY	San Diego County			GSF	62,000	6.89 FAR	
TAX CREDIT	Yes	4.0%		RETAIL SF	0		
DDA/QCT	Yes			NRSF	41,475		
OPPORTUNITY MAP DESIGNATION	High			EFFICIENCY RATIO	67%		
TARGET POPULATION	Large Family			AVERAGE UNIT SIZE	768		
CDLAC REGION	Coastal			PARKING SPACES	12	0.22/unit	

UNIT MIX SOURCE: HUD 2024 Income Limits										
SIZE	AMI	UNITS	SIZE	LIHTC RENT	U/A	ELECTED RENT	RENT/SF	FMR	% < MARKET	
0	30%	1	400	\$868	\$72	\$796	\$1.99	\$2,292	188%	
0	50%	6	400	\$1,447	\$72	\$1,375	\$3.44	\$2,292	67%	
0	60%	0	400	\$1,737	\$72	\$1,665	\$4.16	\$2,292	37.66%	
1	30%	1	575	\$930	\$86	\$844	\$1.47	\$2,818	233.89%	
1	50%	12	575	\$1,550	\$86	\$1,464	\$2.55	\$2,818	92.49%	
1	60%	0	575	\$1,860	\$86	\$1,774	\$3.09	\$2,818	58.85%	
2	30%	2	825	\$1,116	\$114	\$1,002	\$1.21	\$3,359	235.23%	
2	50%	17	825	\$1,861	\$114	\$1,747	\$2.12	\$3,359	92.27%	
2	60%	0	825	\$2,233	\$114	\$2,119	\$2.57	\$3,359	58.52%	
3	30%	2	1050	\$1,290	\$146	\$1,144	\$1.09	\$4,112	259.44%	
3	50%	12	1050	\$2,150	\$146	\$2,004	\$1.91	\$4,112	105.19%	
								\$2,292		
								\$2,292		
				\$0				\$3,359		
				\$0						
TOTAL/AVG	47%	54	768			\$1,583	\$2.06	\$3,286		

INCOME & EXPENSE @ START					Escalate First Year?		Yes
INCOME:	INFLATION RATE:	3.0%	CURRENT BUDGET	AT START	PER UNIT		
GROSS RENTAL INCOME			\$1,025,964	\$1,068,713	\$19,791		
OTHER INCOME			\$10,692	\$11,013	\$198		
VACANCY	5.0%		(\$51,833)	(\$53,986)	(\$960)		
COMMERCIAL RENT	\$0.00	per sf	\$0	\$0	\$0		
COMMERCIAL VACANCY	10%	of Gross	\$0	\$0	\$0		
TOTAL INCOME			\$984,823	\$1,025,739	\$18,237		

EXPENSES:					INFLATION RATE:	3.0%	CURRENT BUDGET	AT START	PER UNIT
PROFESSIONAL MANAGEMENT	4.00%	of Gross Rev	\$39,393	\$61	\$40,575	\$751			
AUDIT	\$14,000	total	\$14,000		\$14,420	\$267			
ISSUER AND TRUSTEE FEES	\$12,000	total	\$12,000		\$12,360	\$229			
MARKETING	\$18	per unit	\$972		\$1,001	\$19			
OTHER ADMINSTRATIVE	\$400	per unit	\$21,600		\$22,248	\$412			
PAYROLL		Payroll Calc	\$146,229		\$150,616	\$2,789			
UTILITIES		utilities calc	\$70,200		\$72,306	\$1,339			
MAINTENANCE	\$575	per unit	\$31,050		\$31,982	\$592			
REAL ESTATE TAXES	\$2,500	Total	\$2,500		\$2,575	\$48			
INSURANCE	\$1,200	per unit	\$64,800		\$66,744	\$1,236			
GROUND LEASE	\$0	per mo.	\$0		\$0	\$0			
RESIDENT SERVICES	\$11,000	total	\$11,000		\$11,330	\$210			
RESERVES	\$300	per unit	\$16,200		\$16,686	\$309			
COMPLIANCE MONITORING	\$160	per unit	\$8,640		\$8,899	\$165			
TOTAL EXPENSES			\$438,584		\$451,741	\$8,122			
NET OPERATING INCOME					\$573,998	\$10,116			
DEBT SERVICE				1.15	\$499,128	\$9,243			

PERM SOURCES AND USES			RATE	DCR	PERMANENT	CONSTRUCTION		
SOURCES:					TOTAL	PER UNIT	TOTAL	PER UNIT
TAX CREDIT EQUITY			\$	0.890	\$15,345,220	\$284,171	\$2,671,474	\$49,472
TAX EXEMPT BONDS					\$7,326,254	\$135,671	\$20,000,000	\$370,370
RECYCLED BONDS					\$0	\$0	\$0	\$0
OFFSITE LOAN				3.0%	\$12,650,000	\$234,259	\$12,650,000	\$234,259
RESERVED				0.0%	\$0	\$0	\$0	\$0
RESERVED				0.0%	\$0	\$0	\$0	\$0
RESERVED				0.0%	\$0	\$0	\$0	\$0
TAXABLE LOAN					\$0	\$0		\$0
NET OPERATING INCOME					\$0	\$0	\$0	\$0
ACCURED INTEREST ON SUBORDINATE DEBT					\$510,000	\$9,444	\$510,000	\$9,444
DEFERRED DEVELOPEF			Paid:	\$1,515,162	\$2,810,142	\$52,040	\$2,810,142	\$52,040
GRAND TOTAL SOURCES					\$38,641,616	\$715,585	\$38,641,616	\$715,585

USES:				TOTAL	PER UNIT	TOTAL	PER UNIT
ACQUISITION COSTS			\$/SF: \$408	\$3,672,000	\$68,000	\$3,672,000	\$68,000
CONSTRUCTION COSTS	\$/GSF: \$365		\$/NRSF: \$546	\$22,630,388	\$419,081	\$22,630,388	\$419,081
PERMITS & FEES				\$1,283,336	\$23,765	\$1,283,336	\$23,765
ARCHITECTURE & ENGINEERING				\$1,662,066	\$30,779	\$1,662,066	\$30,779
FEASIBILITY STUDIES				\$81,365	\$1,507	\$81,365	\$1,507
BORROWER LEGAL				\$130,000	\$2,407	\$130,000	\$2,407
OTHER SOFT COSTS				\$659,620	\$12,215	\$659,620	\$12,215
TAXES AND INSURANCE				\$653,390	\$12,100	\$653,390	\$12,100
RESERVES				\$237,717	\$4,402	\$237,717	\$4,402
FINANCING COSTS				\$816,500	\$15,120	\$816,500	\$15,120
CONSTRUCTION LOAN INTEREST				\$1,290,000	\$23,889	\$1,290,000	\$23,889
ACCURED INTEREST ON SOFT DEBT				\$510,000	\$9,444	\$510,000	\$9,444
TAX EXEMPT BOND COSTS				\$207,000	\$3,833	\$207,000	\$3,833
TAX CREDIT COSTS				\$125,600	\$2,326	\$125,600	\$2,326
SOFT COST CONTINGENCY				\$357,330	\$6,617	\$357,330	\$6,617
DEVELOPER FEE				\$4,325,304	\$80,098	\$4,325,304	\$80,098
GRAND TOTAL DEVELOPMENT COSTS				\$38,641,616	\$715,585	\$38,641,616	\$715,585

SCHEDULE							
MILESTONE	PERIODS	DRIVER	DATE	DEV FEE	DEV FEE	EQUITY	EQUITY
CLOSING/START	0		5/1/2026	25.0%	\$378,791	10.0%	\$1,534,522
50% COMP.	12	FROM CLOSIN	5/1/2027	10.0%	\$151,516	10.0%	\$1,534,522
COMPLETION INSTALLM	22	FROM CLOSIN	3/1/2028	10.0%	\$151,516	20.0%	\$3,069,044
100% QUAL OCCUPANC	3	FROM COMP.	6/1/2028	0.0%	\$0	0.0%	\$0
PERM CONVERSION	6	FROM 100%	12/1/2028	35.0%	\$530,307	57.0%	\$8,746,776
8609s	6	FROM CONV.	6/1/2029	20.0%	\$303,032	3.0%	\$460,357
SALE	15	YRS FORM CC	12/1/2043				-
TOTAL				100%	1,515,162	100%	15,345,220

DSCR TEST			LTC TEST		RATE STACK		
AT START		STABILIZED	TOTAL COST		CONSTRUCTION		PERM
NOI	\$573,998	\$609,707	COST MAX LTC	\$38,641,616	INDEX SPREAD CUSHION	4.00%	4.00%
RATE:	6.25%	6.25%		70.00%		2.25%	2.25%
DSCR	1.15	1.15				0.00%	0.00%
AMORT	40	40					
\$7,326,254		\$7,782,030	\$27,049,131		TOTAL RATE	6.25%	6.25%
https://www.citibank.com/icg/sa/citicommunitycapital/rat							
LTV TEST			50% Test [if 4% LIHTC]			PERM LOAN AMT	
AT START		STABILIZED					
NOI	\$573,998	\$609,707	ELIG. BASIS	\$33,160,663	MAX PERM LOAN		\$7,326,254
CAP RATE	5.00%	5.00%	LAND	\$3,672,000	MONTHLY PMT		\$41,594
VALUE	\$11,479,955	\$12,194,139	LAND IMPROVEMENTS		I/O PMT		\$38,158
LTV	70%	70%	TOTAL BONDS	54.30%	I/O END DATE		
\$8,035,969		\$8,535,897	\$20,000,000				

4th and Penn

		Unit Cost	Cost Driver	Total	Per Unit	% of Total
COST CODI ACQUISITION COSTS						
16105	LAND	\$3,672,000	total	3,672,000	\$68,000	9.5%
16110	BUILDINGS	\$0	total	-	\$0	0.0%
16115	BROKER FEES	\$0	total	-	\$0	0.0%
16120	LAND CARRY COST	\$0	total	-	\$0	0.0%
16125	INFRASTRUCTURE / PARKING	\$0	Total	-	\$0	0.0%
	RESERVED [Up front Ground Lease]	\$0	total	-	\$0	0.0%
	TOTAL ACQUISITION & CLOSING COSTS			3,672,000	\$68,000	9.50%
17100	CONSTRUCTION COSTS		n/a			
17105	DIRECT COSTS - RESIDENTIAL	\$19,150,000	n/a			
17110	DIRECT COSTS - COMMERCIAL		Per GSF	19,150,000	\$354,630	49.6%
17115	GENERAL CONDITIONS	\$150,000	total	-	\$0	0.0%
17120	GL INSURANCE	\$100,000	total	150,000	\$2,778	0.4%
17125	GC FEE	\$900,000	total	100,000	\$1,852	0.3%
17130	GC CONTINGENCY	\$400,000	total	900,000	\$16,667	2.3%
17135	COMPLETION BOND	\$225,000	total	400,000	\$7,407	1.0%
	SUBTOTAL		total	225,000	\$4,167	0.6%
	COST INFLATION	3%		20,925,000	\$387,500	54.2%
	TOTAL GMAX			627,750	\$11,625	1.6%
				21,552,750	\$399,125	55.8%
17200	OWNER MANAGED HARD COSTS					
17205	COMMERCIAL TENANT IMPROVEMENTS	\$0	total	-	\$0	0.0%
17210	CONSTRUCTION ACCESS AGREEMENT	\$0	total	-	\$0	0.0%
17215	DEMOLITION	\$0	total	-	\$0	0.0%
17220	DRY UTILITY WORK	\$0	total	-	\$0	0.0%
17225	ENVIRONMENTAL REMEDIATION	\$0	total	-	\$0	0.0%
17230	EV CHARGING STATIONS	\$0	total	-	\$0	0.0%
17235	RAIN PROTECTION	\$0	total	-	\$0	0.0%
17240	SECURITY	\$0	total	-	\$0	0.0%
17245	SIGNAGE	\$0	total	-	\$0	0.0%
17250	SOLAR	\$0	total	-	\$0	0.0%
17255	WATER SUBMETERS	\$0	total	-	\$0	0.0%
17290	OTHER OWNER MANAGED HARD COSTS [SITE WORK]		total	-	\$0	0.0%
	TOTAL OWNER MANAGED HARD COSTS			-	\$0	0.0%
17295	OWNER CONTINGENCY	5.00%	of hard costs	1,077,638	\$19,956	2.8%
	TOTAL CONSTRUCTION COSTS		\$365.01	22,630,388	\$419,081	58.56%
PERMITS & FEES						
18105	CITY PERMIT FEES	\$250,000	total	250,000	\$4,630	0.6%
18110	DEVELOPMENT IMPACT FEES	\$125,000	Fee Calc	125,000	\$2,315	0.3%
18115	AFFORDABLE HOUSING IMPACT FEE	\$0	Fee Calc	-	\$0	0.0%
18120	WATER CAPACITY	\$275,000	Fee Calc	275,000	\$5,093	0.7%
18125	SEWER CAPACITY	\$250,000	Fee Calc	250,000	\$4,630	0.6%
18130	SCHOOL FEES	\$228,336	Fee Calc	228,336	\$4,228	0.6%
18135	TRANSPORTATION FEE	\$3,000	Fee Calc	3,000	\$56	0.0%
18140	HOUSING AUTHORITY PROCESSING FEE	\$2,000	Fee Calc	2,000	\$37	0.0%
18145	DRY UTILITY FEES	\$50,000	Fee Calc	50,000	\$926	0.1%
	PUBLIC ART	\$0	Fee Calc	-	\$0	0.0%
	RESERVED	\$0	Fee Calc	-	\$0	0.0%
18195	OTHER PERMITS & FEES	\$0	Fee Calc	-	\$0	0.0%
18190	CONTINGENCY	\$100,000	Fee Calc	-	\$0	0.0%
	TOTAL PERMITS & FEES			1,283,336	\$23,765	3.32%

4th and Penn

18200 ARCHITECTURE & ENGINEERING

	Unit Cost
	New Con. (infill)
18205 A&E (ARCH/MEP/STRUCT)	\$1,000,000
18210 CIVIL ENGINEERING	\$125,000
18215 LANDSCAPE	\$0
18220 INTERIOR DESIGN	\$70,068
18225 DRY UTILITY DESIGN	\$50,000
18230 ACCESSIBILITY CONSULTANT	\$37,300
18235 BRANDING	\$15,500
18240 CODE CONSULTANT	\$0
18245 EXTERIOR BUILDING MAINTENANCE (Façade Access)	\$17,000
18250 FIRE SPRINKLER / ALARM	\$40,250
18255 GREEN BUILDING CONSULTANT	\$17,540
18260 SOLAR DESIGN	\$20,000
18270 WATERPROOFING/BUILDING ENVELOPE	\$35,680
18275 A&E REIMBURSABLES	\$10,000
18280 PERMIT EXPEDITE	\$4,000
18285 ARCHEOLOGICAL OBSERVATION	\$0
18290 GEOTECHNICAL OBSERVATION	\$59,326
18295 SPECIAL INSPECTIONS	\$70,402
18297 OTHER CONSULTANTS	\$90,000

TOTAL ARCHITECTURE & ENGINEERING

18300 FEASIBILITY STUDIES

18305 PHASE I ESA	\$5,500
18310 PHASE II ESA	\$0
18315 ACM & LEAD REPORT	\$0
18320 ALTA SURVEY	\$19,300
18325 GEOTECHNICAL REPORT	\$16,500
18330 ACOUSTIC STUDY	\$6,500
18335 ARCHEOLOGICAL REPORT	\$0
18340 BIOLOGY	\$0
18345 HISTORICAL REPORT	\$0
18350 TRAFFIC	\$0
18355 APPRAISAL	\$7,500
18360 MARKET STUDY	\$7,500
18365 RELOCATION STUDY	\$3,565
RESERVED	\$0
RESERVED	\$0
18370 OTHER FEASIBILITY STUDIES	\$15,000

TOTAL TECHNICAL STUDIES

18400 BORROWER LEGAL

18405 LEGAL - PSA	\$5,000
18410 LEGAL - ENTITLEMENTS AND LAND USE	\$0
18415 LEGAL - GC CONTRACT	\$10,000
18420 LEGAL - PARTNERSHIP	\$10,000
18425 LEGAL - CONSTRUCTION LOAN	\$65,000
18430 LEGAL - NON PROFIT MGP	\$25,000
18435 LEGAL - CONSTRUCTION ACCESS AGREEMENT	\$0
18440 LEGAL - GENERAL	\$15,000

BORROWER LEGAL

Cost Driver	Total	Per Unit	% of Total
total	1,000,000	\$18,519	2.6%
total	125,000	\$2,315	0.3%
total	-	\$0	0.0%
total	70,068	\$1,298	0.2%
total	50,000	\$926	0.1%
total	37,300	\$691	0.1%
total	15,500	\$287	0.0%
total	-	\$0	0.0%
total	17,000	\$315	0.0%
total	40,250	\$745	0.1%
total	17,540	\$325	0.0%
total	20,000	\$370	0.1%
total	35,680	\$661	0.1%
total	10,000	\$185	0.0%
total	4,000	\$74	0.0%
total	-	\$0	0.0%
total	59,326	\$1,099	0.2%
total	70,402	\$1,304	0.2%
total	90,000	\$1,667	0.2%
	1,662,066	\$30,779	4.3%

1,537,066

total	5,500	\$102	0.0%
total	-	\$0	0.0%
total	-	\$0	0.0%
total	19,300	\$357	0.0%
total	16,500	\$306	0.0%
total	6,500	\$120	0.0%
total	-	\$0	0.0%
total	-	\$0	0.0%
total	-	\$0	0.0%
total	-	\$0	0.0%
total	7,500	\$139	0.0%
total	7,500	\$139	0.0%
total	3,565	\$66	0.0%
total	-	\$0	0.0%
total	-	\$0	0.0%
total	15,000	\$278	0.0%
	81,365	\$1,507	0.2%

total	5,000	\$93	0.0%
total	-	\$0	0.0%
total	10,000	\$185	0.0%
total	10,000	\$185	0.0%
total	65,000	\$1,204	0.2%
total	25,000	\$463	0.1%
total	-	\$0	0.0%
total	15,000	\$278	0.0%
	130,000	\$2,407	0.34%

4th and Penn

	Unit Cost	Cost Driver	Total	Per Unit	% of Total
18500 OTHER SOFT COSTS					
18505 CONSTRUCTION MANAGEMENT (PRE-CON)	\$90,000	total	90,000	\$1,667	0.2%
18510 CONSTRUCTION MANAGEMENT (CONSTRUCTION)	\$154,000	total	154,000	\$2,852	0.4%
18515 NON PROFIT ADMISSION FEE	\$25,000	total	25,000	\$463	0.1%
18520 FF&E	\$135,000	total	135,000	\$2,500	0.3%
18525 MARKETING & LEASE-UP	\$125,000	total	125,000	\$2,315	0.3%
18530 MISCELLANEOUS ADMIN	\$10,000	total	10,000	\$185	0.0%
18535 PROFESSIONAL FEES	\$10,000	total	10,000	\$185	0.0%
18540 PROPERTY MAINTENANCE (PRE-DEV)	\$0	total	-	\$0	0.0%
18545 RELOCATION	\$110,620	total	110,620	\$2,049	0.3%
18550 COMMERCIAL BROKERAGE FEES	\$0	total	-	\$0	0.0%
18555 LAND BROKERAGE FEES	\$0	total	-	\$0	0.0%
18595 OTHER SOFT COSTS	\$0	total	-	\$0	0.0%
TOTAL OTHER SOFT COSTS			659,620	\$12,215	1.71%
18600 TAXES AND INSURANCE					
18605 REAL ESTATE TAXES DURING CONSTRUCTION	\$0	of Taxable Value	-	\$0	0.0%
18610 TITLE INSURANCE/ESCROW/RECORDING	\$50,000	Of Loan	50,000	\$926	0.1%
18615 INSURANCE (BUILDER'S RISK)	\$339,456	Of hard costs	339,456	\$6,286	0.9%
18620 INSURANCE (OCIP)	\$248,934	Of hard costs	248,934	\$4,610	0.6%
18625 INSURANCE (GL)	\$10,000	total	10,000	\$185	0.0%
18630 MISCELLANEOUS TAXES & FEES	\$5,000	total	5,000	\$93	0.0%
TOTAL TAXES AND INSURANCE			653,390	\$12,100	1.69%
18650 RESERVES					
18655 REPLACEMENT RESERVE - INITIAL DEPOSIT	\$0	Yes			
18660 OPERATING RESERVE	3	Per Unit	-	\$0	0.0%
18665 LIQUIDITY RESERVE	\$0	Mos of Opex + DS	237,717	\$4,402	0.6%
18670 LEASE-UP RESERVE	\$0	total	-	\$0	0.0%
18675 OPERATING DEFECIT	\$0	total	-	\$0	0.0%
TOTAL RESERVES			237,717	\$4,402	0.6%
18700 FINANCING COSTS					
18705 CONSTRUCTION LOAN ORIGATION FEE	1.00%	of Cost. Loan	200,000	\$3,704	0.5%
18710 CONSTRUCTION LENDER LEGAL	\$80,000	total	80,000	\$1,481	0.2%
18715 CONSTRUCTION LENDER INSPECTION FEES	\$2,500	per Month	55,000	\$1,019	0.1%
18720 CONSTRUCTION LENDER TECHNICAL STUDIES	\$25,000	total	25,000	\$463	0.1%
18725 PERMANENT LOAN CONVERSION FEE	0.00%	total	39,000	\$722	0.1%
18730 PERMANENT LENDER CLOSING COSTS	\$7,500	total	7,500	\$139	0.0%
18735 MORTGAGE BROKER FEE (CONSTRUCTION)	0.00%	of Cost. Loan	-	\$0	0.0%
18740 MORTGAGE BROKER FEE (PERM)	0.00%	of Perm Loan	-	\$0	0.0%
18745 PREDEVELOPMENT APP FEE	\$0	total	-	\$0	0.0%
18750 PREDEVELOPMENT LENDER LEGAL	\$0	total	-	\$0	0.0%
18755 PREDEVELOPMENT LOAN FEE	\$0	total	-	\$0	0.0%
18760 PREDEVELOPMENT LOAN INTEREST	\$0	total	-	\$0	0.0%
INTEREST RATE CAP	\$400,000	total	400,000	\$7,407	1.0%
PERM LOAN INSPECTION FEE [CALHFA]	\$0	total	-	\$0	0.0%
RESERVED	\$10,000	total	10,000	\$185	0.0%
18780 FINANCING CONTINGENCY	0.00%	total	-	\$0	0.0%
TOTAL FINANCING COSTS			816,500	\$15,120	2.1%
18785 CONSTRUCTION LOAN INTEREST	\$1,290,000	Calc	1,290,000	\$23,889	3.3%
	1,269,909				
18790 ACCRUED INTEREST ON SOFT DEBT	\$510,000		510,000	\$9,444	1.3%

4th and Penn

		Unit Cost	Cost Driver	Total	Per Unit	% of Total
		508,102				
18800	TAX EXEMPT BOND COSTS					
18805	BOND ALLOCATION FEE	0.04%	of Bond Amt	7,000	\$130	0.0%
18810	OTHER COST OF ISSUANCE (CDAIC)	0.03%	of Bond Amt	5,000	\$93	0.0%
18815	ISSUER APPLICATION FEE	\$5,000	total	5,000	\$93	0.0%
18818	ISSUER FEES DURING CONSTRUCTION	75,000	total	75,000	\$1,389	0.2%
18820	PERFORMANCE DEPOSIT (REFUNDABLE)	\$0	total	-	\$0	0.0%
18825	TRUSTEE FEE	\$5,000	total	5,000	\$93	0.0%
18830	BOND COUNSEL	\$70,000	total	70,000	\$1,296	0.2%
18835	FINANCIAL ADVISOR	\$40,000	total	40,000	\$741	0.1%
18840	RATING AGENCY	\$0	total	-	\$0	0.0%
18845	BOND CLEARANCE	\$0	total	-	\$0	0.0%
18850	AGENCY LEGAL	\$0	total	-	\$0	0.0%
18855	BOND UNDERWRITER	\$0	total	-	\$0	0.0%
18860	UNDERWRITER'S COUNSEL	\$0	total	-	\$0	0.0%
18865	PLACEMENT FEE	\$0	total	-	\$0	0.0%
	CONTINGENCY	\$0	total	-	\$0	0.0%
	TOTAL TAX EXEMPT BOND COSTS			207,000	\$3,833	0.5%
18900	TAX CREDIT COSTS					
18905	TAX CREDIT APPLICATION FEE	\$2,000	total	2,000	\$37	0.0%
18910	TAX CREDIT RESERVATION FEE (ESTIMATE)	\$200	per unit	10,800	\$200	0.0%
18915	COMPLIANCE MONITORING FEE	\$700	per unit	37,800	\$700	0.1%
18920	AUDIT & TAX RETURN	\$15,000	total	15,000	\$278	0.0%
18925	COST CERTIFICATION	\$10,000	total	10,000	\$185	0.0%
18930	SYNDICATION FEES	\$50,000	total	50,000	\$926	0.1%
18935	SYNDICATION EXPENSES		total	-	\$0	0.0%
	TOTAL TAX CREDIT COSTS			125,600	\$2,326	0.3%
18940	SOFT COST CONTINGENCY	5.00%	Rounded	357,330	\$6,617	0.9%
18950	DEVELOPER FEE					
18955	DEVELOPER FEE ON ACQUISITION	0.00%	Total	-	\$0	0.0%
18960	DEVELOPER FEE ON REHAB/NEW CONST.	15.00%	Total	4,325,304	\$80,098	11.2%
	TOTAL DEVELOPER FEE			4,325,304	80,098.22	11.2%
	GRAND TOTAL DEVELOPMENT COSTS			38,641,616	\$715,585	100.00%

LIHTC WATERFALL

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
NET OPERATING INCOME																	
	\$0	\$0	\$376,243	\$628,429	\$647,651	\$667,449	\$687,842	\$708,786	\$730,480	\$752,764	\$775,716	\$799,356	\$823,706	\$848,786	\$874,559	\$901,226	\$928,632
TOTAL HARD DEBT SERVICE	\$0	\$0	\$0	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)	(\$499,128)
DSCR				1.26	1.30	1.34	1.38	1.42	1.46	1.51	1.55	1.60	1.65	1.70	1.75	1.81	1.86
NET PARTNERSHIP CASH FLOW	-	-	376,243	129,300	148,522	168,321	188,713	209,658	231,352	253,635	276,587	300,228	324,577	349,658	375,430	402,098	429,504
CASH FLOW WATERFALL																	
1 LP FEE																	
Opening Balance	-	7,500	15,450	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Due	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693	11,014	11,344	11,685	4
Interest Due	-	225	464	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	(23,870)	(8,195)	(8,441)	(8,695)	(8,955)	(9,224)	(9,501)	(9,786)	(10,079)	(10,382)	(10,693)	(11,014)	(11,344)	(11,685)	(4)
Amount Accrued	7,500	7,950	(15,450)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	7,500	15,450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH	-	-	352,373	121,105	140,081	159,626	179,758	200,434	221,851	243,850	266,508	289,846	313,884	338,644	364,086	390,413	429,500
2 MGP FEE																	
Opening Balance	12,000	12,000	24,720	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Due	-	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696	19,256
Interest Due	-	360	742	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	(38,192)	(13,113)	(13,506)	(13,911)	(14,329)	(14,758)	(15,201)	(15,657)	(16,127)	(16,611)	(17,109)	(17,622)	(18,151)	(18,696)	(19,256)
Amount Accrued	-	12,720	(24,720)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	12,000	24,720	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH	-	-	314,181	107,992	126,575	145,715	165,429	185,675	206,650	228,192	250,381	273,235	296,775	321,021	345,935	371,717	410,243
3 AGP FEE																	
Opening Balance	18,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Due	-	19,055	19,627	20,215	20,822	21,447	22,090	22,753	23,435	24,138	24,862	25,608	26,377	27,168	27,983	28,822	29,687
Interest Due	555	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	(19,627)	(20,215)	(20,822)	(21,447)	(22,090)	(22,753)	(23,435)	(24,138)	(24,862)	(25,608)	(26,377)	(27,168)	(27,983)	(28,822)	(29,687)
Amount Accrued	555	19,055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	19,055	19,055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH	-	-	294,554	87,777	105,753	124,268	143,339	162,922	183,215	204,054	225,518	247,627	270,399	293,853	317,952	342,895	380,556
4 DEFERRED DEVELOPER FEE																	
Opening Balance	\$2,810,142	2,810,142	2,810,142	2,515,588	2,427,811	2,322,058	2,197,790	2,054,450	1,891,528	1,708,313	1,504,259	1,278,741	1,031,114	760,715	466,862	148,910	-
Principal Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	(294,554)	(87,777)	(105,753)	(124,268)	(143,339)	(162,922)	(183,215)	(204,054)	(225,518)	(247,627)	(270,399)	(293,853)	(317,952)	(148,910)	-
Amount Accrued	-	-	(294,554)	(87,777)	(105,753)	(124,268)	(143,339)	(162,922)	(183,215)	(204,054)	(225,518)	(247,627)	(270,399)	(293,853)	(317,952)	(148,910)	-
Ending Balance	2,810,142	2,810,142	2,515,588	2,427,811	2,322,058	2,197,790	2,054,450	1,891,528	1,708,313	1,504,259	1,278,741	1,031,114	760,715	466,862	148,910	-	-
CASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193,985	380,556
5 OFFSITE LOAN																	
Opening Balance	\$12,650,000	12,650,000	12,650,000	13,029,500	13,420,385	13,822,997	14,237,686	14,664,817	15,104,762	15,557,904	16,024,642	16,505,381	17,000,542	17,510,558	18,035,875	18,576,951	19,085,764
Principal Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Due	-	-	379,500	390,885	402,612	414,690	427,131	439,945	453,143	466,737	480,739	495,161	510,016	525,317	541,076	557,309	572,573
Payment Applied	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48,496)	(95,139)
Amount Accrued	-	-	(379,500)	(390,885)	(402,612)	(414,690)	(427,131)	(439,945)	(453,143)	(466,737)	(480,739)	(495,161)	(510,016)	(525,317)	(541,076)	(508,812)	(477,434)
Ending Balance	12,650,000	12,650,000	13,029,500	13,420,385	13,822,997	14,237,686	14,664,817	15,104,762	15,557,904	16,024,642	16,505,381	17,000,542	17,510,558	18,035,875	18,576,951	19,085,764	19,563,198
CASH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145,489	285,417
FA SURPLUS CASH:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4th and Penn

LIHTC WATERFALL

6 AOF LOAN

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CASH

7 RESERVED

Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CASH

8 INCENTIVE MANAGEMENT FEE

Opening Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130,940)
Principal Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Applied	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130,940)	(256,875)
Amount Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130,940	256,875
Ending Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130,940)	(387,815)

CASH

CASH FLOW TO LP

99.99% to LP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,547	28,539
0.001% to SLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
0.009% to GP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	3
TOTAL CASH FLOW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,549	28,542

ATTACHMENT 4

HOUSING COMMISSION MULTIFAMILY HOUSING REVENUE BOND PROGRAM SUMMARY

General Description: The multifamily housing bond program provides below-market financing (based on bond interest being exempt from income tax) for developers willing to set aside a percentage of project units as affordable housing. Multifamily housing revenue bonds are also known as "private activity bonds" because the projects are owned by private entities, often including nonprofit sponsors and for-profit investors.

Bond Issuer: Housing Authority of the City of San Diego. There is no direct legal liability to the City, the Housing Authority or the Housing Commission in connection with the issuance or repayment of bonds. There is no pledge of the City's faith, credit or taxing power nor of the Housing Authority's faith and credit. The bonds do not constitute a general obligation of the issuer because security for repayment of the bonds is limited to specific private revenue sources, such as project revenues. The developer is responsible for the payment of costs of issuance and all other costs under each financing.

Affordability: Minimum requirement is that at least 20% of the units are affordable at 50% of Area Median Income (AMI). Alternatively, a minimum of the units may be affordable at 50% AMI with an additional 30% of the units affordable at 60% AMI. The Housing Commission requires that the affordability restriction be in place for a minimum of 15 years. Due to the combined requirements of state, local, and federal funding sources, projects financed under the Bond Program are normally affordable for 30-55 years and often provide deeper affordability levels than the minimum levels required under the Bond Program.

Rating: Generally "AAA" or its equivalent with a minimum rating of "A" or, under conditions that meet IRS and Housing Commission requirements, bonds may be unrated for private placement with institutional investors (typically, large banks). Additional security is normally achieved through the provision of outside credit support ("credit enhancement") by participating financial institutions that underwrite the project loans and guarantee the repayment of the bonds. The credit rating on the bonds reflects the credit quality of the credit enhancement provider.

Approval Process:

- **Inducement Resolution:** The bond process is initiated when the San Diego Housing Commission (Housing Commission) adopts an "Inducement Resolution" to establish the date from which project costs may be reimbursable from bond proceeds (if bonds are later issued) and to authorize staff to work with the financing team to perform a due diligence process. The Inducement Resolution does not represent any commitment by the Housing Commission, or the Housing Authority, or the developer to proceed with the financing.

- TEFRA Hearing and Resolution (Tax Equity and Fiscal Responsibility Act of 1982): to assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, the IRS Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located. This process does not make the Housing Commission, the Housing Authority, or the City of San Diego financially or legally liable for the bonds or for the project.

[Note: Members of the Housing Commission or the San Diego City Council may be asked to take two actions at this stage in the bond process -- one in their capacity as approving the TEFRA hearing resolution and another as approving the bond inducement.]

- Application for Bond Allocation: The issuance of these "private activity bonds" (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Commission and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- Final Bond Approval: The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups, etc.
- Funding and Bond Administration: All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders, if rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or Housing Authority, and the trustee has no standing to ask the issuer for funds. Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Since the Housing Authority is not responsible in any way for bond repayment, there are no financial statements or summaries about the Housing Authority or the City that are included as part of the offering document. The offering document includes a paragraph that states that the Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on behalf of the Housing Authority to issue the bonds. The offering document also includes a paragraph that details that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to

issue bonds. This is the extent of the disclosure required of the Housing Authority, Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which might have an impact on the viability of the project.



**DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
ENTITY SEEKING GRANT/BORROWERS**
(Collectively referred to as "CONTRACTOR" herein)

Statement for Public Disclosure

1. Name of CONTRACTOR: Rise Urban Partners, LLC
2. Email: david@trestlebuild.com
2. Address and Zip Code: 3525 Del Mar Heights Rd #211, San Diego 92130
3. Telephone Number: 509-280-5469
4. Name of Principal Contact for CONTRACTOR: David Allen
5. Federal Identification Number or Social Security Number of CONTRACTOR: 84-3976037
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as **(you may copy and paste requested documents of any size into the boxes throughout this form)**:

☐ A corporation **(copy and paste Articles of Incorporation here)**:

☐ A nonprofit or charitable institution or corporation **(copy and paste Articles of Incorporation and documentary evidence verifying current, valid nonprofit or charitable status)**:

☐ A partnership known as **(Name)**:

Check one:

☐ General Partnership **(copy and paste statement of General Partnership)**:

☐ Limited Partnership **(copy and paste Certificate of Limited Partnership)**:

☐ A business association or a joint venture known as: **(copy and paste Joint Venture or Business Association Agreement)**

☐ A Federal, State, or local government or instrumentality thereof

☒ Other (Please explain): **LIMITED LIABILITY COMPANY**



7. If the CONTRACTOR is not an individual or a government agency or instrumentality, list name and date of organization:

November 26, 2019

8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
- a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
 - b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
 - c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
 - d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
 - e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%. (Attach extra sheet if necessary)

Text will allow multiple lines

	Name/Title (if any)	Address	Phone	Email	Percent of Interest & Description of character and extent of interest
8.1	David Allen	3260 S. Jefferson St Spokane, WA 99203	509-280-5469	david@trestlebuild.com	% 50 its Co-Manager, and Manager of Trestle Development, LLC
8.2	Rob Morgan	3971 Montefrio Ct San Diego, CA 92130	619-540-2859	rob@trestlebuild.com	% 50 its Co- Manager, and Manager of Colossians 3 Heart, LLC
8.3					%

You may also copy and paste your complete list here:

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months? If yes, please explain in detail.

☐

Yes

☒

No



10. Is it *anticipated* that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail.



Yes



No

The contractor will form a single-asset entity for the purpose of financing and developing the 4th Ave Affordable apartments. A limited partner and non profit managing general partner will be admitted into the structure to facilitate the transaction.

11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR):

Text will allow multiple lines

	Name/Title (if any)	Address	Phone	Email	Percent of Interest & Description of character and extent of interest
11.1	N/A				%
11.2					%
11.3					%

You may also copy and paste your complete list here:

12. Names, addresses and telephone numbers (*if not given above*) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

	Name/Title (if any)	Address	Phone	Email
12.1	N/A			
12.2				
12.3				

You may also copy and paste your complete list here:



13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature? If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm, or business entity.

Text will allow multiple lines

	Name of <i>affiliated</i> Corporation/Firm/Business Entity	Address	Relationship to CONTRACTOR	List Common Officers/Directors/Trustees by Name
13.1	Trestle Development, LLC	3525 Del Mar Heights Rd, #211 San Diego, CA 92130	50% Owner of Rise Urban Partners, LLC	David Allen
13.2	Colossians 3 Heart LLC	3525 Del Mar Heights Rd #211, San Diego, CA 92130	50% Owner of Rise Urban Partners, LLC	Robert Morgan
13.3				

You may also copy and paste your complete list here:

14. Provide description of the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the financial statements that was requested (attached) as part of the Application, including, but not necessarily limited to, profit and loss statements and statements of financial position:

Rise Urban Partners, LLC is a venture between Trestle Development LLC, and Colossians 3 Heart, LLC. Rise has two projects completed and two under development which is expected to be \$3.0m of developer fee over the 36 months. Rise keeps approximately \$1,000,000 of cash on hand.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

Sources for this project include LIHTC equity, tax exempt bond proceeds, and a private subordinate note.

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

- a. In banks/savings and loans:

Name: Chase Bank

Address: 7777 Girard Ave Floor 02 | La Jolla, CA 92037

Amount: \$1,000,000

- b. By loans from affiliated or associated corporations or firms:

Name: _____

Address: _____

Amount: \$ _____



c. By sale of readily salable assets/including marketable securities:

Description	Market Value (\$)	Mortgages or Liens (\$)
n/a		

Enter additional information as needed:

17. Names and addresses of bank references, and name of contact at each reference:

Text will allow multiple lines

	Bank Name	Bank Address	Bank Contact Name	Bank Contact Phone/Email
17.1	Chase Bank	7777 Girard Ave, Floor 02 La Jolla, CA 92037	Saba Solomon	Office: (858) 720-6924 Email: Saba.Solomon@jpmorgan.com
17.2	Bank of California	110 West A Street, Suite 1300 San Diego, CA 92101	Christopher A. Walby	tel 619.338.1488 email: cwalby@pacwest.com
17.3	Citibank	325 E Hillcrest Dr., Suite 160, Thousand Oaks, CA 91360	Mike Hemmens	Phone: (805) 557-0933 mike.hemmens@citi.com

You may also copy and paste your complete list of bank references here:

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?

☐

Yes

☒

No

If yes, provide date, place, and under what name:

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years?

☐

Yes

☒

No



If yes, for each case, provide (1) date, (2) charge, (3) place, (4) court, and (5) action taken. ***You may copy and paste any explanation deemed necessary:***

Case 1:

Case 2:

Case 3:

20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

Type of Bond	Project Description	Date of Completion	Amount of Bond	Action on Bond
n/a				

Enter additional information as needed:

21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information:

- a. Name and addresses of such contractor or builder:

	Name	Address	Affiliation
21.a1	n/a		
21.a2			
21.a3			



- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract?

☐

Yes

☒

No

If yes, please explain, in detail, each such instance:

--

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years: \$ 80m

c.1 General description of such work:

Ground-up development of three apartment communities in San Diego. Rise Urban Partners, LLC, its affiliates and principal members act as the General Partner and Developer. General contracting is performed by a third-party general contractor.
--

c.2 through c.4 Complete one table for each project. Text will allow multiple lines:

Project	C.2 Project Name:	Aurora
	Project Location:	8201 Merge Ave, San Diego, CA 92129
	Project Details:	47 units of LIHTC-financed apartments
Owner	Business Name of Project Owner:	Merge 56 Affordable, LP
	Principal Contact of Project Owner:	Rob Morgan
	Principal Contact Phone & Email	(619) 540-2859, rob@trestlebuild.com
Bond	Bonding Company Name & Address:	n/a
	Principal Bond Contact Phone & Email:	n/a
C/O	Change Order Details:	project was on budget (within budget contingency)
	Change Order Cost:	
Litigation	Litigation Location/Date:	
	Litigation Details:	
	Litigation Outcome Details:	



c.2 through c.4 Complete one table for each project. Text will allow multiple lines:

Project	C.3 Project Name:	One Mississippi
	Project Location:	4234 Mississippi St. San Diego, CA 92104
	Project Details:	61 units of LIHTC-financed apartments and over 2,000 sf of retail
Owner	Business Name of Project Owner:	Trestle Mississippi, LP
	Principal Contact of Project Owner:	Rob Morgan
	Principal Contact Phone & Email	(619) 540-2859, rob@trestlebuild.com
Bond	Bonding Company Name & Address:	n/a
	Principal Bond Contact Phone & Email:	n/a
C/O	Change Order Details:	project was on budget (within budget contingency)
	Change Order Cost:	
Litigation	Litigation Location/Date:	
	Litigation Details:	
	Ligation Outcome Details:	



c.2 through c.4 Complete one table for each project. Text will allow multiple lines:

Project	C.4 Project Name:	8th Ave Family Housing
	Project Location:	3927 8th Ave, San Diego, CA 92103
	Project Details:	80-units of LIHTC financed apartments
Owner	Business Name of Project Owner:	Trestle Mississippi, LP
	Principal Contact of Project Owner:	Rob Morgan
	Principal Contact Phone & Email	(619) 540-2859, rob@trestlebuil
Bond	Bonding Company Name & Address:	n/a
	Principal Bond Contact Phone & Email:	n/a
C/O	Change Order Details:	project was on budget (within budget contingency)
	Change Order Cost:	
Litigation	Litigation Location/Date:	
	Litigation Details:	
	Litigation Outcome Details:	

d. Construction contracts or developments now being performed by such contractor or builder:

Identification of Contract or Development	Location	Amount	Date to be Completed
The Bel	3927 8th Ave San Diego, CA 92103	\$27m	October 2025
St. Luke's Affordable	3729 30th Street San Diego, CA 92104	\$22m	October 2026



e. Outstanding construction-contract bids of such contractor or builder:

Awarding Agency	Amount	Date Opened
n/a		

Enter additional information as needed:

22. Provide a detailed and complete statement regarding equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

The developer will hire a third-party general contractor to build the project.

23. Does any member of the governing body of the San Diego Housing Commission ("SDHC"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the SDHC, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor?

☐

Yes

☒

No

If yes, explain:

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are copy and pasted hereto and hereby made a part hereof as follows:

See attached financial statement and biographies of principals involved in the transaction.



25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation?

☐

Yes

☒

No

If yes, please explain:

26. State the name, address, and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverages. List the amount of coverage (limits) currently existing in each category.

- a. General Liability, including Bodily Injury and Property Damage Insurance ***[copy and paste certificate of insurance showing the amount of coverage and coverage period(s)]***:

Check coverage(s) carried:

☐

Comprehensive Form

☐

Premises - Operations

☐

Explosion and Collapse Hazard

☐

Underground Hazard

☐

Products/Completed Hazard

☐

Contractual Insurance

☐

Broad Form Property Damage

☐

Independent Contractors

☐

Personal Injury

- b. Automobile Public Liability/Property Damage ***[(copy and paste certificate of insurance showing the amount of coverage and coverage period(s))]***:

Check coverage(s) carried:

☐

Comprehensive Form

☐

Owned

☐

Hired

☐

Non-Owned



- c. Workers Compensation [***copy and paste certificate of insurance showing the amount of coverage and coverage period(s)***]:

- d. Professional Liability (Errors and Omissions) [***copy and paste certificate of insurance showing the amount of coverage and coverage period(s)***]:

none carried for Rise Urban Partners, LLC

- e. Excess Liability [***copy and paste certificate(s) of insurance showing the amount of coverage and coverage period(s)***]:

none carried for Rise Urban Partners, LLC

- f. Other (Specify) [***copy and paste certificate(s) of insurance showing the amount of coverage and coverage period(s)***]:

n/a

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the SDHC setting forth the provisions of this nondiscrimination clause.
28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the SDHC, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the SDHC, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the SDHC, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the SDHC was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.



30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please state:

Government Entity Making Complaint	Date	Resolution

Enter additional information as needed:

31. Has the CONTRACTOR ever been disqualified, removed from, or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation?

☐

Yes

☒

No

If yes, please explain in detail:

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked:

Government Agency	License Description	License Number	Date Issued (Original)	Status (Current)	Revocation (Yes/No)

Enter additional information as needed here:



33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the SDHC.

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the SDHC.

35. List all CONTRACTS with DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the SDHC, AUTHORITY and/or the CITY within the last five (5) years:

Date	Entity Involved (i.e. City, SDHC, et al.)	Status (Current, delinquent, repaid, etc.)	Dollar Amount
1/18/24	SD Housing Authority	Current/under construction	\$21,600,000
6/1/22	SD Housing Authority	Current	\$7,795,000
4/1/21	SD Housing Authority	Current	\$6,100,000

Enter additional information as needed:

Above amounts reflect bond amounts where Housing Authority is issuer.

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)?

☐ Yes

☒ No

If yes, please explain:



37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?

☐

Yes

☒

No

If yes, please explain:

38. List **three** local references that would be familiar with your previous construction project:

1. Name: Geoff McMillen, ECON Construction

Address: 13230 Evening Creek S, Ste 213 San Diego, CA 92128

Phone: 619-520-0148

Project Name: One Mississippi

Description:

61 units of LIHTC-financed apartments and over 2,000 sf of retail

2. Name: Debbie Ruane, Norwood Development Strategies

Address: _____

Phone: 619-992-8844

Project Name: Nook East Village, Various Past Development & Consulting Projects

Description:

Nook East Village, Various Past Development & Consulting Projects

3. Name: Matt Grosz, Redstone Equity Partners

Address: _____

Phone: 619-533-3903

Project Name: 8th Ave, One Mississippi, Cordova Trolley Rehabs, Aurora

Description:

see description above

39. Provide a brief statement regarding equipment, experience, financial capacity, and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.

Both principals involved in the transaction have been involved in multifamily housing construction for 18+ years. The team has been responsible for the development of over 550 units in the last ten years and has extensive experience in tax credit and tax exempt bond financing.



40. State the name and experience of the proposed Construction Superintendent.

Name	
Experience	TBD



SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("SDHC"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the SDHC, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the SDHC, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the SDHC, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

Executed this 11 day of June, 20 25, Spokane, WA ~~at San Diego, California~~

CONTRACTOR

By: [Signature]
Signature

David Allen
Print Name

Manager
Title



CERTIFICATION

The CONTRACTOR, Rise Urban Partners, LLC hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

By: [Signature]
Signature

Print Name: David Allen

Title: Manager

Dated: 6/11/25

By: _____
Signature

Print Name: _____

Title: _____

Dated: _____

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

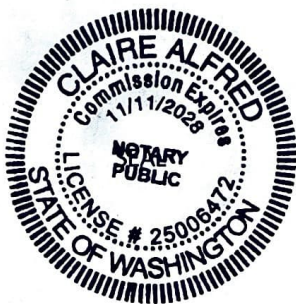
JURAT

Washington
State of ~~California~~

County of Spokane

Subscribed and sworn to (or affirmed) before me on this 11th day of June, 2025

by David Allen personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



[Signature]
Signature of Notary

SAN DIEGO HOUSING COMMISSION

RESOLUTION NUMBER HC-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE SAN DIEGO HOUSING COMMISSION
SETTING FORTH OFFICIAL INTENT FOR THE HOUSING
AUTHORITY OF THE CITY OF SAN DIEGO TO ISSUE
MULTIFAMILY HOUSING REVENUE BONDS OR NOTES TO
FINANCE FOURTH & PENN APARTMENTS AND
AUTHORIZING RELATED ACTIONS

WHEREAS, pursuant to Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California, as amended (Act), the Housing Authority of the City of San Diego (Authority) is authorized to issue revenue bonds or notes for the purpose of financing the acquisition, construction, rehabilitation and equipping of multifamily affordable rental housing and for the provision of capital improvements in connection with and determined necessary to the multifamily affordable rental housing; and

WHEREAS, a limited partnership to-be-formed by Rise Urban LLC, or related entities (Borrower) has requested that the Authority issue and sell multifamily housing revenue bonds or notes (Bonds) pursuant to the Act for the purpose of making a loan to the Borrower to finance the acquisition and construction of a multifamily affordable rental housing development located at 3703 Fourth Avenue and 412-414 Pennsylvania Avenue, San Diego, California, as more fully identified in Exhibit A hereto (Project), including functionally related and ancillary facilities thereto; and

WHEREAS, as a part of financing the Project, the Authority desires to reimburse the Borrower, but only from Bond proceeds, for expenditures (Reimbursement Expenditures) made in connection with the Project within the period from the date sixty (60) days prior to the date of adoption of this Resolution to the date of issuance of the Bonds; and

WHEREAS, sections 1.103-8(a)(5) and sections 1.150-2 of the United States Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior capital expenditures for the Project with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, by its resolution HAR20-043 adopted on March 9, 2021, the Authority has delegated to the San Diego Housing Commission (the “Housing Commission”) authority and responsibility for declaring on behalf of the Authority its intention to authorize the issuance of Bonds for the purpose of financing a portion of the costs of the Project (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and conditions as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed \$30,000,000 as set forth in Exhibit A; and

WHEREAS, section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (CDLAC) for such allocation, and CDLAC has certain policies that are to be satisfied in connection with any such allocation.

NOW, THEREFORE, BE IT RESOLVED, by the San Diego Housing Commission, as follows:

Section 1. Findings and Determinations.

(a) The above recitals, and each of them, are true and correct. The Housing Commission hereby determines that it is necessary and desirable to provide financing to the Borrower for the Project (including reimbursement of the Reimbursement Expenditures) by the Authority's issuance and sale of Bonds pursuant to the Act in an aggregate principal amount not to exceed \$30,000,000, as set forth in Exhibit A, subject to authorization of the issuance of the Bonds by resolution of the Authority at a meeting to be held for such purpose. The expected date of issue of the Bonds is within eighteen (18) months of the later of the date the first Reimbursement Expenditure was made and the first date the Project is placed in service and, in no event, later than three (3) years after the date of the first Reimbursement Expenditure.

(b) Proceeds of the Bonds to be used to reimburse for Project costs are not expected to be used directly or indirectly to pay debt service with respect to any obligation or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the Authority, the Housing Commission or any entity related in any manner to the Authority, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

(c) As of the date hereof, the Housing Commission has a reasonable expectation that the Authority will issue the Bonds to reimburse Project costs. This Resolution is consistent with the budgetary and financial circumstances of the Authority, as of the date hereof. The Bonds will be repaid solely from proceeds of the Bonds and amounts paid by the Borrower. No other moneys are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the Authority (or any related party) pursuant to its budget or financial policies to repay the Bonds.

Section 2. Declaration of Official Intent. This Resolution is being adopted by the Housing Commission for purposes of establishing compliance with the requirements of sections 1.103-8(a)(5) and 1.150-2 of the Treasury Regulations. In such regard, the Housing Commission, for and on behalf of the Authority hereby declares the official intent to use proceeds of the Bonds to reimburse the Reimbursement Expenditures. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, and nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority, the Housing Commission, the City of San Diego (City) or any officer or agent of the City will grant any such approval, consent or permit that may be required in connection with the acquisition, construction, equipping and operation of the Project, or that any of the Authority, the Housing Commission or the City will make any expenditure, incur any indebtedness, or proceed with the financing of the Project.

Section 3. Applications to CDLAC. The staff of the Housing Commission are hereby authorized and directed to apply to CDLAC for an allocation from the state ceiling of private activity bonds to be issued by the Authority for the Project in an amount not to exceed \$30,000,000, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, additional applications to CDLAC (if necessary), and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

Section 4. Approval of Bond Counsel and Financial Advisor. The financing team of Orrick, Herrington & Sutcliffe LLP, as bond counsel (Bond Counsel) and Public Financial Management, as financial advisor, is approved for this Project.

Section 5. Authority of President & Chief Executive Officer of Housing Commission.

The President & Chief Executive Officer of the Housing Commission, or designee, is hereby authorized to execute all necessary documents, in a form approved by the Housing Commission's General Counsel and/or Bond Counsel, and to perform such acts as are necessary to implement the approvals provided for in this Resolution.

Section 6. Effective Date. This Resolution shall take effect immediately upon its adoption.

EXHIBIT A

DESCRIPTION OF PROJECT

Name:	Fourth & Penn Apartments
Location:	3703 Fourth Avenue and 412-414 Pennsylvania Avenue, San Diego, California
Number of Units:	54 (including 1 manager's unit)
Maximum Bond Amount:	\$30,000,000

The foregoing Resolution is passed and adopted by the San Diego Housing Commission on _____, 2025.

By: _____
LISA JONES, President & Chief Executive
Officer of the San Diego Housing Commission