



SAN DIEGO
HOUSING
COMMISSION

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San Diego Housing Commission (SDHC)
Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility
Act (TEFRA) Hearing for Iris at San Ysidro Apartments
Presentation to the SDHC Board of Commissioners
June 10, 2022

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SDHC – Iris at San Ysidro Apartments Development Summary

- Proposed 100-unit new construction, affordable, transit-oriented, family development with a permanent supportive housing (PSH) component for 15 units.
 - 42 one-bedroom units
 - 32 two-bedroom units
 - 26 three-bedroom units, including one unrestricted manager's unit
- Affordable for 55 years for households with income from 25 percent to 60 percent of San Diego's Area Median Income.
- National CORE is an experienced nonprofit developer.
 - Previous SDHC loans for developments
 - Successfully completed those projects
- Resident Services:
 - The County of San Diego Behavioral Health Services for the 15 PSH residents
 - Hope Through Housing Foundation
 - San Ysidro Health
 - Casa Familiar

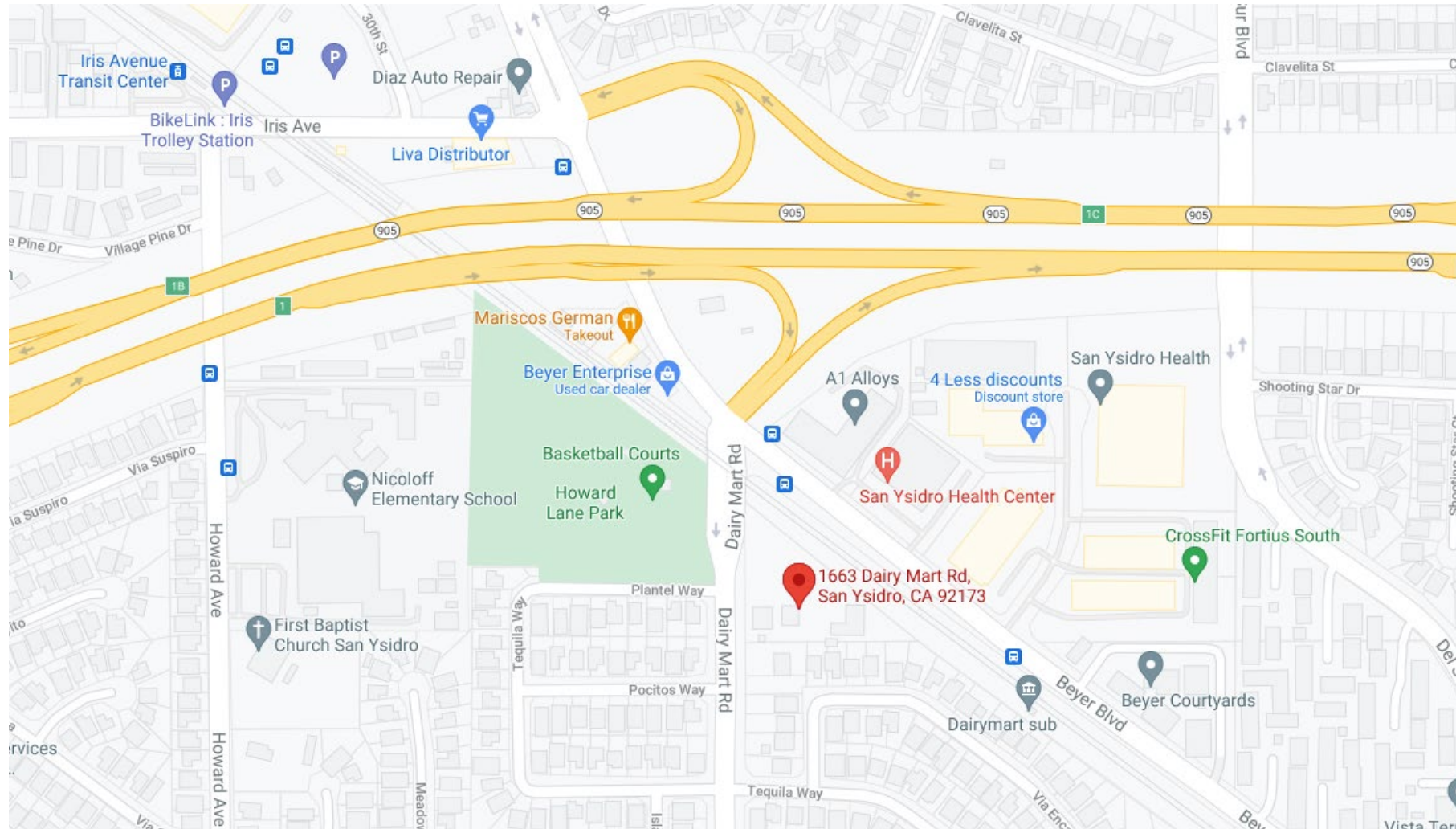


SDHC – Iris at San Ysidro Apartments Development Summary (Continued)

- The site is near a trolley station and is served by a Metropolitan Transit System bus line
 - Easy connections to nearby health and wellness facilities, senior centers and neighborhood eateries
- National CORE applied for a residual receipts loan and federal rental housing vouchers through SDHC's Fiscal Year 2020 Notice of Funding Availability.
- June 11, 2021: SDHC Board of Commissioners approved a residual receipts loan of up to \$2,300,000.
- SDHC awarded 25 federal Project-Based Housing Vouchers for families with low income.
- Through a County of San Diego “No Place Like Home” loan, 15 units will be permanent supportive housing for households experiencing homelessness.

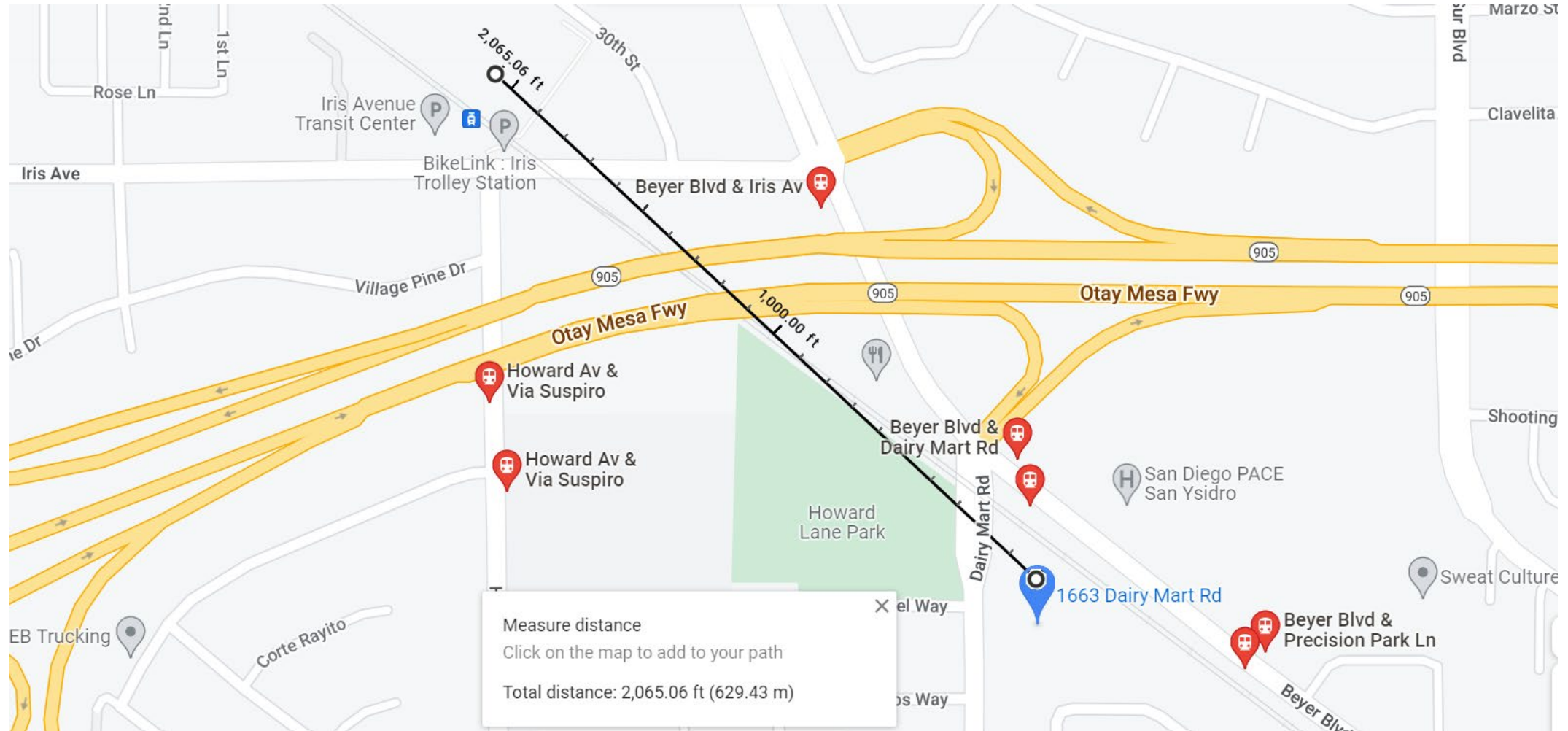


SDHC – Iris at San Ysidro Apartments Location Map





SDHC – Iris at San Ysidro Apartments Location Map (Continued)



SDHC – Iris at San Ysidro Apartments

Estimated Permanent Financing Sources and Uses

Financing Sources	Amount	Financing Uses	Amount
Permanent loan (third party lender)	\$11,673,828	Acquisition and closing costs	\$6,568,377
County of San Diego NPLH loan	3,290,265	Construction cost	35,483,406
Housing Commission loan	2,300,000	Financing costs	2,902,193
RTCIP/DIF fee waivers	409,449	Other soft costs	3,337,638
4% tax credit equity	25,144,668	Permits and fees	1,495,000
County of SD IHTF loan	5,000,000	Reserves	831,596
City of SD EDD loan	5,000,000	Developer fee	5,800,000
Contributed GP Equity	3,600,000		
Total Sources	\$56,418,210	Total Development Costs (TDC)	\$56,418,210

- Estimated Total Development Cost Per Unit (100 Units) = \$564,182



SDHC – Iris at San Ysidro Apartments

Affordability and Estimated Rents

Unit Type	AMI	Units	CTCAC Gross Rent
One-bedroom units	25%	15	\$568
One-bedroom units	30%	5	\$682
One-bedroom units	50%	14	\$1,136
One-bedroom units	60%	<u>8</u>	\$1,455
Subtotal One-bedroom units		42	
Two-bedroom units	30%	13	\$818
Two-bedroom units	50%	12	\$1,363
Two-bedroom units	60%	<u>7</u>	\$1,636
Subtotal Two-bedroom Units		32	
Three-bedroom units	30%	12	\$945
Three-bedroom units	50%	8	\$1,575
Three-bedroom units	60%	<u>5</u>	\$1,890
Subtotal Three-bedroom units		25	
Manager's three-bedroom unit	--	1	-----
Total	--	100	--



SDHC – Iris at San Ysidro Apartments

Development Timeline

Milestones	Estimated Dates
• CDLAC bond application & CTCAC 4% tax credit application.....	August 9, 2022
• CDLAC bond & CTCAC 4% tax credit allocation meeting.....	November 30, 2022
• Housing Commission proposed final bond authorization.....	January 2023
• Housing Authority proposed final bond authorization.....	February 2023
• Estimated bond issuance & escrow/loan closing.....	March 2023
• Estimated start of construction work.....	April 2023
• Estimated completion of construction work.....	April 2025



SDHC – Iris at San Ysidro Apartments Architect's Rendering



SDHC – Iris at San Ysidro Apartments Development Team Summary

Role	Firm/Contract
Developer	Iris at San Ysidro, L.P. and National CORE
Owner	Iris at San Ysidro, L.P.
Managing General Partner	NCRC ISY GP LLC
Tax Credit Limited Partner	To be selected
Architect	Studio E Architects
General Contractor	National CORE
Property Management	National CORE
Tenant Services Provider	County of San Diego Behavioral Health Services, Hope Through Housing Foundation, San Ysidro Health and Casa Familiar
Construction Lender	To be selected
Permanent Lender	To be selected



SDHC – Iris at San Ysidro Apartments Bond Issuance Summary

- Proposed bond issuance of up to \$35,000,000 in tax-exempt bonds and \$2,100,000 in taxable bonds.
- Developer is responsible for paying all costs of issuing bonds.
- Issuance pursuant to SDHC's bond policy.
- Bond issuance will not create financial liability to SDHC, Housing Authority, nor City.
- Neither the full faith and credit nor taxing power of the City nor full faith and credit of the Housing Authority will be pledged to payment of the bonds.



SDHC – Iris at San Ysidro Apartments Staff Recommendations

That the SDHC Board of Commissioners:

1. Approve preliminary steps to issue up to \$35,000,000 in a tax-exempt Multifamily Housing Revenue bonds and \$2,100,000 in taxable bonds for Iris at San Ysidro Apartments, including:
 - Issue a bond inducement resolution.
 - Authorize a bond allocation application to the California Debt Limit Allocation Committee (CDLAC) for the tax-exempt bonds.
 - Approve Bond Counsel and Financial Advisor.
 - Bond final approval will occur at a later date.
2. Authorize SDHC's President & CEO, or designee, to execute necessary documents in a form approved by General Counsel and Bond Counsel and take necessary actions upon advice of General Counsel and/or Bond Counsel.
3. Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$35,000,000 for Iris at San Ysidro Apartments.



SDHC – Iris at San Ysidro Apartments

Questions & Comments

