



SAN DIEGO
HOUSING
COMMISSION

REPORT TO THE HOUSING AUTHORITY

DATE ISSUED: October 30, 2012

REPORT NO: HAR12-044

ATTENTION: Chair and Members of the Housing Authority of the City of San Diego
For the Agenda of December 4, 2012

SUBJECT: Final Bond Authorization for COMM22 Family

COUNCIL DISTRICT: 8

REQUESTED ACTION:

That the Housing Authority of the City of San Diego authorizes the issuance of multifamily mortgage revenue bonds to fund the construction of COMM22 Family Apartments.

STAFF RECOMMENDATION:

That the Housing Authority of the City of San Diego ("Housing Authority") authorizes the issuance of up to \$28,000,000 in multifamily housing revenue bonds to fund construction of the COMM22 Family Apartments ("COMM22 Family") located south of Commercial Street between 21st Street and Harrison Avenue.

SUMMARY:

The Project

COMM22 Family is Bridge Housing Corporation's ("BRIDGE") proposed 130-unit new construction affordable rental housing development to be located south of Commercial Street, along the trolley corridor, on land leased from the San Diego Unified School District ("SDUSD") (see Attachment 1 - site map). The project is the first phase of a multi-phase transit-oriented mixed-use development. When completed, the overall multi-phase development will have 130 rental units for families (COMM22 Family); seventy affordable rental units for seniors (COMM22 Seniors), a child daycare community facility; retail/commercial uses; and in future phases, 17 for-sale row homes, and 27 live-work lofts with office space in a refurbished existing warehouse building. The housing phases will be built as separate projects, with separate legal ownership, and each with separate project financing. This report, and the proposed issuance of multifamily mortgage revenue bonds, are only applicable to the COMM22 Family phase.

COMM22 Family will provide 128 affordable rental units (and 2 manager's units) comprised of 34 one-bedroom units, 62 two-bedroom units, and 34 three-bedroom units. The development will be wood-frame construction over a two-level subterranean parking garage that will provide 353 parking spaces, along with 40 on-street spaces. Two four-story buildings will be separated by a multi-purpose pedestrian plaza and each building will have a separate elevator. Security features will include controlled access (key fob required) at all building entries, controlled access to elevators inside buildings, security cameras in the parking garage and on the building's exterior with views of the entrances and plaza areas. The project will include Universal Design features and will comply with all federal accessibility standards. The project will use State funds and payment of federal prevailing wage rates will be required. There are no tenant relocation costs.

COMM22 Family will be built to Leadership in Energy and Environmental Design (“LEED”) Silver standards (LEED for Homes – Mid-Rise), with sustainable features such as: energy efficient windows, appliances, and HVAC units; a cool roof; efficient landscaping; and environmentally friendly finish materials. Water conservation features will be included. A solar thermal system is being considered to supplement the hot water heating system. Sustainability will also be integrated into the construction effort with construction recycling and efforts to minimize waste in framing and other processes.

A trolley station is located nearby at 25th and Commercial Street. The site requires extensive infrastructure improvements and soil remediation work, including vacating Irving Avenue (see Attachment 2).

Housing Affordability

The development will be subject to a Housing Commission Declaration of Covenants and Restrictions in addition to both a bond and tax credit regulatory agreement that will restrict affordability of 128 units for 55 years. The 128 units will be affordable to tenants with income levels ranging from 30 percent of Area Median Income (“AMI”) (\$19,300/year for a one-bedroom two-person household) to 60 percent AMI (\$48,180/year for a three-bedroom four-person household). Thirteen units will be restricted at 30 percent AMI and serve young adults aging out of the foster care system that also have a mental illness diagnosis and are at risk of becoming homeless. These units will be funded by the Mental Health Services Act (“MHSA”) funding. The affordability and estimated rents are shown in Table 1 below.

Table 1 - Affordability & Estimated Rents Table

COMM22 Family Housing - 128 restricted units (254 total bedrooms) and 2 managers’ units.							
Affordability Mix	One Bedrooms (526 to 602 square feet)		Two Bedrooms (781 to 1,183 square feet)		Three Bedrooms (1,071 to 1,198 square feet)		Total
	Units	Estimated Net Rents	Units	Estimated Net Rents	Units	Estimated Net Rents	
30% AMI (MHSA supportive housing units)	13	\$432 *	0	--	0	--	13
40% AMI units	10	\$583 *	6	\$698 *	0	--	16
50% AMI units	2	\$733 *	44	\$829 *	25	\$919 *	71
60% AMI units	9	\$884 *	12	\$998 *	7	\$1,108 *	28
Managers’ units	0	--	0	--	2	Managers	2
Total Units	34	--	62	--	34	--	130

* Developer’s estimated net rents after utilities allowance deduction.

Estimated Development Schedule

The proposed development timeline is as follows:

<u>Milestone</u>	<u>Date</u>
• Housing Authority final bond authorization	December 4, 2012
• Bond Closing	December 12, 2012
• Construction start	January 2013
• Construction completion	May 2014

The Development Team

COMM22 LLC is the master developer for the overall COMM22 multi-phase development. COMM22 LLC has assigned its ground lease option to two affiliates: BRIDGE Housing Corporation Southern California, a 501(c)(3) nonprofit, and the nonprofit Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County Inc. (“MAAC”). Developer’s Disclosure Statements for BRIDGE and MAAC are provided as Attachment 3.

COMM22 Family will be owned by the single asset entity COMM22 Family Housing LP, a California limited partnership with COMM22 Housing GP, LLC as the administrative General Partner and a Bank of America/Merrill Lynch to-be-formed entity as the tax credit limited partner (see Attachment 4 - Organizational Chart). BRIDGE Housing Corporation Southern California has developed approximately 1,100 affordable units in San Diego County including constructing the 112-unit Torrey Del Mar Apartments located at 13875 Carmel Valley Road, in 2003, with Housing Commission funding. BRIDGE Southern California’s parent company, BRIDGE Housing Corporation was formed in 1984 and is a successful affordable housing developer with significant experience in a wide range of housing projects.

Below is a summary of the development team for COMM22 Family.

Table 2 - Development Team Summary

ROLE	FIRM/CONTACT	OWNERSHIP
Developer	BRIDGE Housing Corporation Southern California. Contact: Kimberly McKay, Executive Vice President	BRIDGE Housing Corporation Southern California (a 501(c)(3) nonprofit)
Ownership Entity	COMM22 Family Housing LP	a California limited partnership
Architect	McLarand, Vasquez, Emsiek, & Partners (MVE Associates)	<u>MVE</u> : Carl McLarand, Ernesto Vasquez and Richard Emsiek (Privately Owned)
General Contractor	Legacy Building Services	
Civil Engineer	Nasland Engineering	
Construction Lender	Bank of America	
Prevailing Wage Monitor	Teresa Gonzalez-White	(sole proprietor)
Tax Credit Limited Partner	Bank of America	
Property Management	BRIDGE Property Management Co.	

Financing Structure

The estimated total development cost of COMM22 Family is \$56,472,254. Financing sources include 4 percent tax credits, tax-exempt multifamily housing revenue bonds, Redevelopment Agency loan, Housing Commission loan (see Attachment 5 - Report HCR11-046), and State and local grants. The developer’s current proforma is provided as Attachment 6, and a development summary is provided as Attachment 7. Estimated sources of funding are summarized in the Table 3 below.

Table 3 - Developer's Estimated Sources of COMM22 Family Financing

Construction Financing Sources	Amounts	Permanent Financing Sources	Amounts
Construction Loan (multifamily mortgage revenue bonds)	\$28,000,000	Permanent Loan (multifamily mortgage revenue bonds)	\$3,590,682
Taxable Construction Loan	\$587,386		
City of San Diego (former Redevelopment Agency loan)	\$9,255,000	City of San Diego (former Redevelopment Agency loan)	\$9,255,000
State Mental Health Services Act (MHSA) loan	\$1,462,000	State Mental Health Services Act (MHSA) loan	\$1,462,000
Housing Commission loan	\$500,000	Housing Commission loan	\$500,000
State Transit Oriented Development grant (TOD)	\$3,636,109	State Transit Oriented Development grant (TOD)	\$10,786,109
State Infill Infrastructure grant (IIG)	\$7,659,715	State Infill Infrastructure grant (IIG)	\$7,659,715
State Cal Re-Use grant	\$1,287,552	State Cal Re-Use grant	\$1,287,552
SANDAG grant	\$701,238	SANDAG grant	\$701,238
Deferred Interest	\$283,076	Deferred Interest	\$283,076
General Partner Equity	\$20,438	General Partner Equity	\$20,438
4% Tax Credit Equity	\$1,000,000	4% Tax Credit Equity	\$20,437,626
		Deferred Developer Fee	\$488,818
Total Development Cost (TDC)	\$54,392,514	Total Development Cost (TDC).	\$56,472,254
TDC Per Unit (for 130 units)	\$418,404	TDC Per Unit (for 130 units)	\$434,402

Public Disclosure and Bond Authorization

The bonds will be sold through a private placement, purchased directly by Bank of America, N.A. ("BANA"). BANA is a "qualified institutional buyer" within the meaning of the U.S. securities laws. At closing, it will sign an "Investor's Letter" certifying, among other things, that it is buying the bonds for its own account and not for public distribution. Because the bonds are being sold through a private placement, an Official Statement will not be used. In addition, the bonds will not be subject to continuing disclosure requirements nor will they be credit enhanced or rated. When bonds are issued through a public offering, a third party trustee administers bond proceeds, collects project loan payments, makes bond debt service payments, and protects the interest of bondholders. Under the private placement structure for this transaction, BANA will act as both the bond owner's representative (in lieu of a trustee) and as the bondholder/lender.

The transfer of the bonds by BANA or any subsequent bondholder will be restricted to transferees who would purchase all of the bonds (to maintain ownership by a single bondholder), and who would represent to the Housing Authority that they are qualified institutional buyers who are buying the bonds for investment purposes and not for resale, and have made due investigation of the information they would deem material in connection with the purchase of the bonds.

The following documents will be executed on behalf of the Housing Authority: Indenture, Loan Agreement, Assignment of Deed of Trust, Regulatory Agreement, and other documents. At the time of docketing, bond documents in substantially final form will be presented to members of the Housing Authority. Any changes to the documents following Housing Authority approval require the consent of the City Attorney's office and bond counsel.

Indenture: The bonds will be issued pursuant to an Indenture between the Housing Authority and BANA (acting as the bond owner representative). Based upon instructions contained in the Indenture, the bond owner representative will disburse bond proceeds for eligible costs, collect project revenues and make payments to bondholders.

Loan Agreement: Under the terms of the Loan Agreement, the Housing Authority will loan the bonds' proceeds to the borrower in order to develop the project. The Loan Agreement sets out the terms of repayment and the security for the loan, and the Housing Authority assigns its rights to receive repayments under the loan to BANA as the bond owner representative.

Assignment of Deed of Trust and other Loan Documents: These documents assign the Housing Authority's rights and responsibilities as the bond issuer to BANA, and they are signed by the Housing Authority and BANA. Rights and responsibilities that are assigned to BANA include the right to collect and enforce the collection of loan payments, monitor project construction and related budgets, enforce insurance, and enforce other requirements. These rights will be used by BANA, as the bond owner representative, to protect its financial interests as the bondholder.

Regulatory Agreement: This will be recorded against the property in order to ensure the long term use of the project as affordable housing and to ensure that the project complies with all applicable federal and state laws. The Housing Authority, BANA, and COMM22 Family Housing LP (the borrower) are parties to the Regulatory Agreement.

Since the bonds will not be repaid using any City of San Diego or Housing Authority revenues, it is not appropriate to provide any information about the City's finances. For a summary of the Housing Commission's Multifamily Bond Program and actions that must be taken by the Housing Authority and by the City Council to initiate and finalize bond financings, please see Attachment 8. The Housing Authority's bond counsel is Stradling, Yocca, Carlson and Rauth.

Staff has been working with Ross Financial, the Housing Commission's Financial Advisor, to perform due diligence concerning the proposed financing and to formulate a recommendation for the Housing Authority. After evaluating the terms of the proposed financing and the public benefits to be achieved, it is the Financial Advisor's recommendation that the Housing Authority proceed with the issuance of the bonds. The Financial Advisor's analysis and recommendation is included as Attachment 9. Staff is also working with the City Attorney and the City's Disclosure Practices Working Group to ensure that the issuance of Housing Authority bonds is in conformance with the City's disclosure requirements.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, to the City of San Diego, or to the Housing Authority associated with this report's proposed action of final authorization to issue multifamily housing revenue bonds. The bonds will not constitute a debt of the City of San Diego. 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; security for repayment of the bonds will be limited to the value of the property and its revenue sources. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's .0023 bond amount issuer fee (estimated at \$64,400 with a \$28,000,000 bond issue) and the Housing Commission's annual administrative fee.

A \$500,000 loan was approved by the Housing Commission on April 15, 2011 (HCR11-046) and the Housing Authority on June 21, 2011.

Budget Statement

Approving this action will not change the Fiscal Year 2013 Budget. This action does not have any budget/fiscal impact. Approving this action will result in 128 “Affordable Housing Units Financed” under “Rental Housing Finance” at an average cost of approximately \$3,906 per affordable/restricted unit. The planned funding sources for the Housing Commission’s previously approved \$500,000 loan are: Inclusionary funds \$467,072, density bonus funds \$15,000, and in-lieu fees discretionary \$17,928 (auditors certificate 11-169).

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This item was unanimously approved at the November 9, 2012 Housing Commission Board meeting.

Previous actions are summarized in Attachment 10.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS:

The proposed development was approved by the Southeastern San Diego Planning Group on September 10, 2007 by a unanimous vote of seven in favor with no abstentions. During the entitlement and design phase the developer also performed outreach and provided periodic updates to community groups.

KEY STAKEHOLDERS and PROJECTED IMPACTS:

Stakeholders include: BRIDGE and MAAC as co-developers, SDUSD as the land owner and lessor of the land, the County of San Diego which administers the local MHSA program, the State of California as a funds provider, the City of San Diego (as successor to the Redevelopment Agency) as a lender, the Housing Authority as bond issuer, the Housing Commission as a lender, and the residents of Logan Heights and Sherman Heights. The project is anticipated to have a positive impact on the two communities of Logan Heights and Sherman Heights that COMM22 Family is located between as it will contribute to the quality of the surrounding neighborhood and provide affordable housing.

ENVIRONMENTAL REVIEW:

The City of San Diego previously evaluated the environmental impacts associated with this project in the City Council’s December 4, 2007 approval of a Certification of Mitigated Negative Declaration No. 122002. Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

Staff recommends approval of this report’s recommendations. When it is completed, in June 2014, COMM22 Family will provide 128 units of family rental housing, including three-bedroom units for which there is a substantial demand, in a mixed-use transit-oriented development which will help revitalize the Logan Heights community. The proposed COMM22 Family project will contribute to environmental quality by restoring a contaminated Brownfield site and it will help generate jobs for the San Diego’s local construction industry.

Respectfully submitted,

J.P. Correia

J.P. Correia
Real Estate Manager
Real Estate Department

Approved by,

Deborah N. Ruane

Deborah N. Ruane
Senior Vice President
Real Estate Department

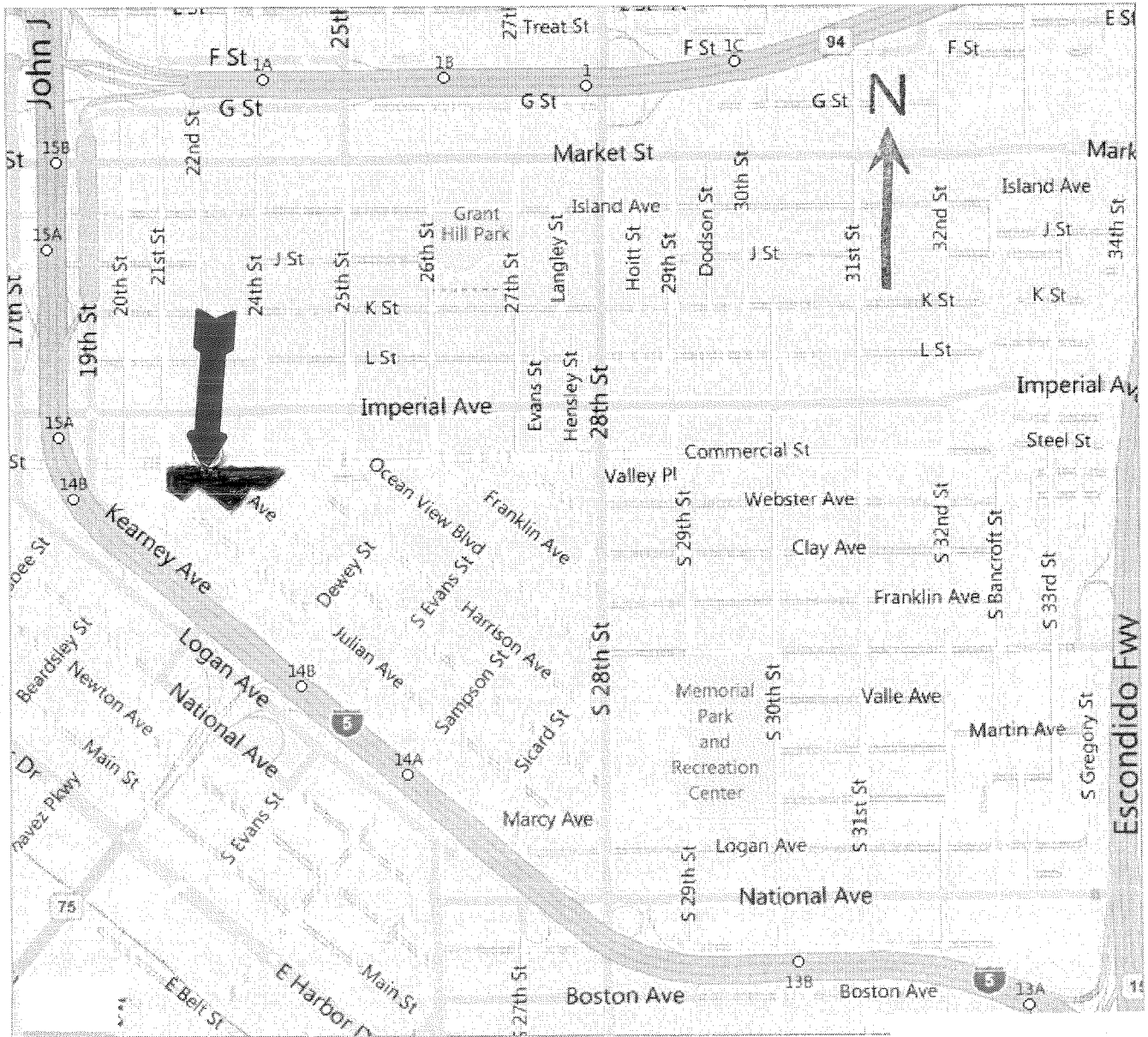
(Attachments listed on following page.)

Attachments:

1. Site Map
2. Infrastructure Discussion
3. Developer Disclosure Statements
 - a) COMM22 Family Housing, LP
 - b) COMM22 Family Housing GP, LLC
 - c) Bridge Housing Corporation
 - d) MAAC Project
4. Organizational Chart
5. Minutes of April 15, 2011 and HCR11-046 Report "Loan and Preliminary Bond Items for COMM22 Family Housing"
6. Estimated Proforma
7. Development Summary
8. Multifamily Bond Program Summary
9. Financial Advisor's Report
10. Previous Actions

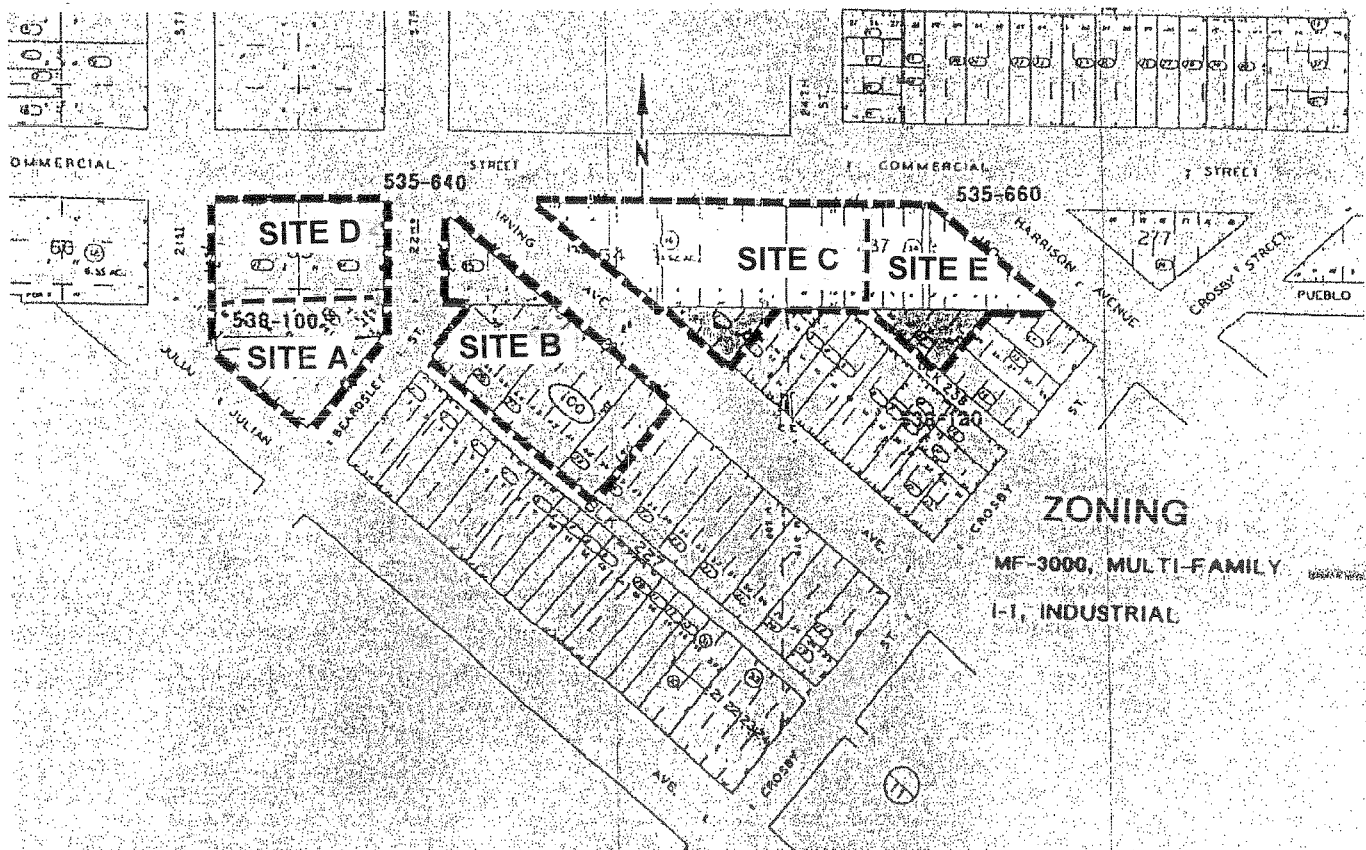
Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.

ATTACHMENT 1
SITE MAP



ATTACHMENT 1a

SITE MAP



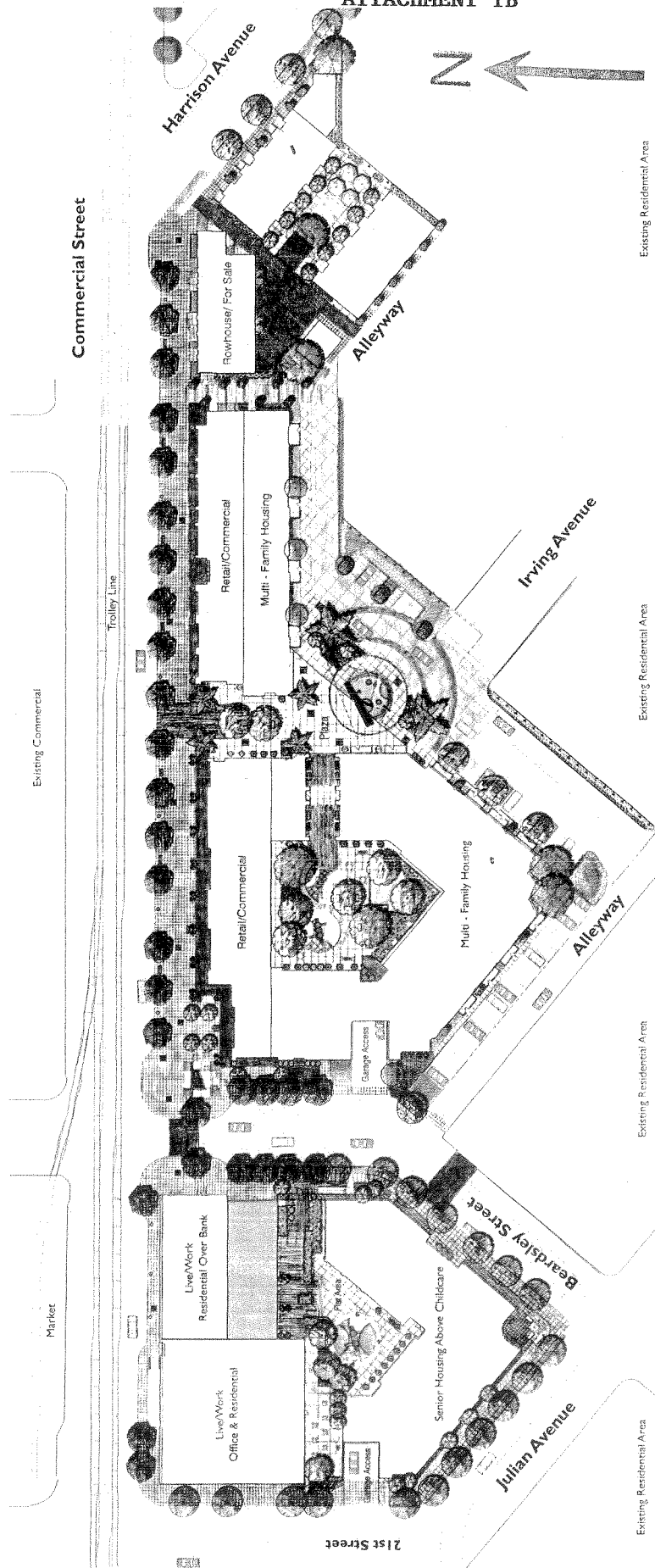
SITE A = COMM 22 Senior Housing Development

SITE B & C = COMM 22 Family Housing Development

SITE D – Future phase (warehouse conversion to lofts)

SITE E – Future phase (row houses for sale)

ATTACHMENT 1B



Attachment 2

COMM 22 INFRASTRUCTURE FUNDING ELIGIBLE COSTS	COST ALLOCATIONS				Comments
	TOTAL COSTS	Senior	Lofts/Bank	Family	For-Sale Rowhomes
Storm Drain	2,035,340	437,066		1,598,274	Allocated to Family and Senior on relative building square footage.
Sewer	582,883	125,167		457,715	Allocated to Family and Senior on relative building square footage.
Water	397,621			397,621	Water relocation is due to Irving St. closure; allocate to Family
Dry Utilities - Gas, Telephone, Cable	337,099			337,099	New conduit is caused by Irving St. closure; allocate to Family
Relocate 69KV - trenching, conduit, structures	489,098			489,098	69KV line - caused by Irving St. closure; allocate to Family
Traffic Control	0	-		-	This cost now included with sewer, storm, water, dry
Demolition	601,162	300,000	200,000	80,000	Demo of buildings is on Senior and Loft block; paving/foundations on Family and for sale
Remediation (incl. field oversight and testing)	3,799,830	230,962	25,784	3,261,652	Allocations made based on consultant analysis
Streetscape scope - sidewalks, lights, landscaping	1,362,256	292,529		1,069,727	Allocated to Family and Senior on relative building square footage.
Parking - budget per IIG application (portion of total gara	4,348,216	1,240,000		3,108,216	Amount allocated to senior covers all Senior parking; balance allocated to Family garage
Utility Company Fees - deposits	0			-	Bulk of the review is required by Irving St closure
Utility Company Relocation Costs - SDGE, ATT	2,008,143			2,008,143	Relocation of utilities is for Irving St closure; allocate to Family
Impact Fees	3,542,305	1,164,683		2,377,622	Tied to fee schedule for Family and Senior
Infrastructure Design Work (not incl. garage design)	752,100	161,505		590,595	Allocated to Family and Senior on relative building square footage.
CM Consultant	266,038	57,129		208,909	Allocated to Family and Senior on relative building square footage.
Design and Construction Mgmt. Fee	774,432	166,301		608,132	Allocated to Family and Senior on relative building square footage.
General Contractor's GC/Insurance/Fee	in line items abv.				
Legal, Insurance, Admin	232,300	49,884		182,416	Allocated to Family and Senior on relative building square footage.
Contingency	in line items abv.				
TOTAL USES	21,528,822	4,225,225	225,784	16,775,219	302,594
ADJUSTMENT - amount of dry utility fees left in COMM22, LLC (not allocated to Family LP)					
ADJUSTED Family Cost Allocation					
Less soil remediation				(3,261,652)	Now shown as part of bldg. costs
Less garage allocation				(3,108,216)	Now shown as part of bldg. costs (only a portion of total garage costs)
Less impact fees				(2,377,622)	Now shown in permit/impact fees
Total Net Infrastructure Cost				6,827,730	See proforma - infrastructure line item

	SOURCE ALLOCATIONS			
	Senior (w/dyscare)	Lofts/Bank	Family (w/retail)	For-Sale Rowhomes
CALReUSE	1,500,000	91,173	10,178	1,287,552
SANDAG	893,000	191,762	-	701,238
TOD GRANT	6,000,000	942,729	200,000	4,836,109
IIG GRANT	9,680,534	1,834,879	15,606	7,659,715
SUBTOTAL		3,060,542	225,784	14,484,614
CCDC/SEDC	2,290,605			2,290,605
SDHC	1,164,683			
TOTAL INCL. CCDC/SEDC, SDHC	21,528,822	4,225,225	225,784	16,775,219

ADJUSTMENT - amount of dry utility fees left in COMM22, LLC (1,200,000) This amount of the TOD Grant will be left in COMM22, LLC to match \$1,200,000 in costs not allocated to Family LP.

ADJUSTED Family Source Allocation **15,575,219**

Less CCDC/SEDC/SDHC amounts (for impact fees) **13,284,614**

From TOD, IIG, CALReUSE, SANDAG only
See "COMM22 LLC Loan" amount on Summary Page of proforma



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

1. Name of CONTRACTOR: COMM22 Family Housing, LP
2. Address and Zip Code: 345 Spear Street, San Francisco, CA 94105
3. Telephone Number: (415) 989-1111
4. Name of Principal Contact for CONTRACTOR: Kimberly McKay, VP
5. Federal Identification Number or Social Security Number of CONTRACTOR:
45-3719866
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:

☐ A corporation (Attach Articles of Incorporation)

☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☐ A partnership known as: _____
(Name)

Check one

() General Partnership (Attach statement of General Partnership)

(X) Limited Partnership (Attach Certificate of Limited Partnership)

___ A business association or a joint venture known as:

(Attach joint venture or business association agreement)

___ A Federal, State or local government or instrumentality thereof.

___ Other (explain)

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

COMM22 Family Housing, LP was formed on April 27, 2011.

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%.

Name, Address and
Zip Code _____

Position Title (if any) and
percent of interest or description
of character and extent of interest

COMM22 Housing GP, LLC is the GP entity. BRIDGE Housing Corporation and MAAC Project are the members of COMM22 Housing GP, LLC. BRIDGE Housing Corporation is the Manager.

See separate disclosure statements and related materials for BRIDGE Housing Corporation and MAAC Project.

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.

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.

No.

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):

Name, Address and
Zip Code

Position Title (if any) and
extent of interest

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:

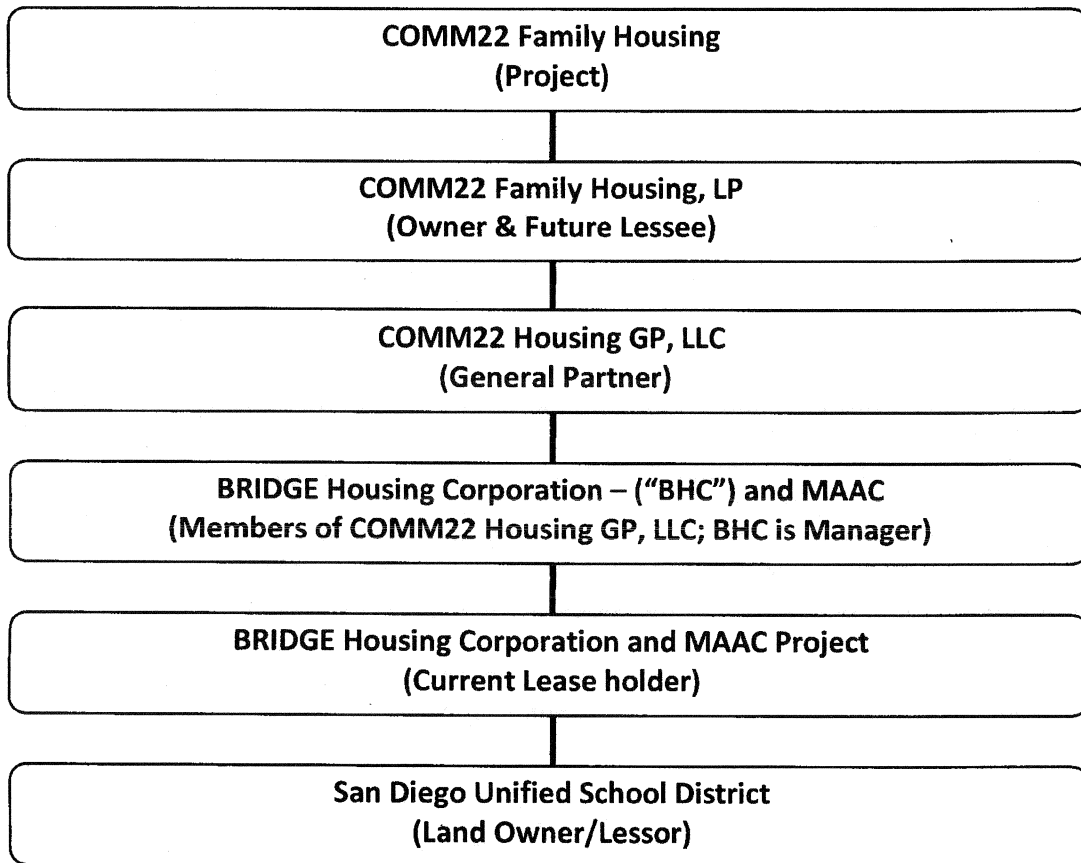
COMM22 Housing GP, LLC is the GP entity. Manager of COMM22 GP, LLC is BRIDGE Housing Corporation. All officers of BRIDGE Housing Corporation can be reached at the following address:

345 Spear Street, Suite 700, San Francisco, CA 94105.

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.

Multiple affiliate entities – see organizational chart provided.

**ORGANIZATIONAL CHART:
COMM22 FAMILY HOUSING**



The COMM22 Family site is owned by the San Diego Unified School District and is currently controlled by BRIDGE Housing Corporation and MAAC Project under an ground lease from the District.

The Family project will be developed and owned by COMM22 Family Housing, LP, with COMM22 Housing GP, LLC as the initial General Partner of the LP entity.

COMM22 Housing GP, LLC is comprised of BRIDGE Housing Corporation and MAAC. BRIDGE Housing Corporation is the Manager of the GP.

14. Provide 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 attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

See financial statement for BRIDGE Housing Corporation (submitted separately). BRIDGE Housing Corporation is the parent entity of the manager of COMM22 Housing GP, LLC.

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:

The COMM22 Family Project will utilize mixed financing structure with 4% tax credits, HUD 202 Capital Advance, San Diego Housing Commission loan, State of California TOD Loan, and State of California Prop 1C grants (TOD Grant, IIG Grant, CALReUSE Grant). Bond financing will be utilized for construction and permanent financing.

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

- a. Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

The manager, BRIDGE Housing Corporation has adequate cash reserves and available financing. See financial statements.

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

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

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

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

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

Bank of America; 45 Fremont St., 9th Floor, San Francisco, CA 94105
Contact: Margaret Schrand

Union Bank; 200 Pringle Avenue, Suite 335, Walnut Creek, CA 94596
Contact: Jonathan Klein

US Bank; 621 Capitol Mall, Suite 800, Sacramento, CA 95814
Contact: John Chan

Citibank; One Sansome Street, 22nd Floor, San Francisco, CA 94104
Contact: Merle Malakoff

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 X No

If yes, give 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 X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

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:

Bond Type	Project Description	Date of Completion	Amount of Bond	Action on Bond
--------------	------------------------	-----------------------	-------------------	-------------------

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:

Not Applicable – a 3rd party general contractor will be utilized.

a. Name and addresses of such contractor or builder:

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: \$ _____

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

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

<u>Identification of</u> <u>Contract or Development</u>	<u>Location</u>	<u>Date to be</u> <u>Amount Completed</u>
--	-----------------	--

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

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

22. Provide a detailed and complete statement respecting 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:

N/A

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), 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 COMMISSION, 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 X 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 attached hereto and hereby made a part hereof as follows:

No other statements are attached.

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

 Yes X No

If yes, 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: See Certificates Attached.

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach 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 Operations Hazard
- ☐ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors

☒ Personal Injury

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

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

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

-
- f. Other (Specify). [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]
-
-
-
-

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 COMMISSION setting forth the provisions of this nondiscrimination clause.
-
-
-

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, 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 COMMISSION, 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 Commission 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 so state:

Government Entity
Making Complaint

Date

Resolution

No issues to report.

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. If so, please explain the circumstances in detail. If none, please so state:

None. The manager of the GP entity, BRIDGE Housing Corporation has never been disqualified, removed, etc. from bidding on or completing a project because of a violation of law or a safety regulation.

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:

Governmental Agency	Description License	License Number	Date Issued (original)	Status (current)	Revocation (yes/no)
------------------------	------------------------	-------------------	---------------------------	---------------------	------------------------

N/A

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 COMMISSION.

No factors will adversely affect COMM22 Family Housing, LP's ability to repay the Commission's loan.

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 COMMISSION.

The GP for COMM22 Family Housing, LP is COMM22 Housing GP, LLC. Its manager, BRIDGE Housing Corporation, is the largest non-profit developer of affordable housing in California and has successfully developed over 13,000 homes in its 29-year history.

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

Date	Entity Involved (i.e., CITY COMMISSION, etc.)	Status (Current, delinquent repaid, etc.)	Dollar Amount
12/8/09	Redevelopment Agency	Current	\$21,783,000
6/24/11	Redevelopment Agency	Current	\$9,255,000

The above contracts were entered into by an affiliate of the manager entity, BRIDGE Housing Corporation.

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, 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, explain:

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

Name: City of Carlsbad – Debbie Fountain

Address: 2965 Roosevelt Suite B, Carlsbad, CA 92008

Phone: (760) 434-2935

Project Name and Description: Poinsettia Station Apartments – Carlsbad, CA

Name: KTGY – Chris Texter

Address: 17992 Fitch, Irvine, CA 92614

Phone: (949) 851-2133

Project Name and Description: Sage Canyon Apartments

Name: City of San Marcos – Harry Williams

Address: 1 Civic Center Drive, San Marcos

Phone: (760) 744-1050

Project Name and Description: Sage Canyon Apartments

39. Give a brief statement respecting 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.

See previous responses.

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

A third-party general contractor will be utilized and that contractor will select the Construction Superintendent for the project.

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 ("COMMISSION"), 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 COMMISSION, 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 COMMISSION, 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 COMMISSION, 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 ____ day of _____, 20____, at San Diego, California.

CONTRACTOR

By:

Signature

Title

CERTIFICATION

The CONTRACTOR, COMM22 Family Housing LP, 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]

By: _____

Title: VP

Title: _____

Dated: 10/23/12

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.

ATTEST:

State of California

County of _____

Subscribed and sworn to before me this _____ day of _____, 20____.

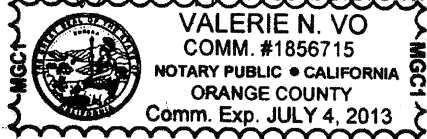
Signature of Notary

Name of Notary

State of California
County of ORANGE

Subscribed and sworn to (or affirmed) before me on this 23
day of OCTOBER, 2012, by KIMBERLY MCKAY

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature Valerie CV

201111800005



State of California
Secretary of State

LP-1

File #

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

APR 27 2011

Certificate of Limited Partnership

A \$70.00 filing fee must accompany this form.

Important - Read instructions before completing this form.

This Space For Filing Use Only

Entity Name (End the name with the words "Limited Partnership" or the abbreviation "LP" or "L.P.")

1. NAME OF LIMITED PARTNERSHIP

COMM22 Family Housing, L.P.

Initial Designated Office Address (Do not abbreviate the name of the city.)

2. ADDRESS OF INITIAL DESIGNATED OFFICE IN CALIFORNIA

CITY

STATE

ZIP CODE

345 Spear Street, Suite 700

San Francisco

CA

94105

Initial Agent For Service of Process (If the initial agent is an individual, the agent must reside in California and both Items 3 and 4 must be completed. If the initial agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 3 must be completed (leave Item 4 blank).)

3. NAME OF INITIAL AGENT FOR SERVICE OF PROCESS

Becky Hlebasko

4. IF AN INDIVIDUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CA

CITY

STATE

ZIP CODE

345 Spear Street, Suite 700

San Francisco

CA

94105

General Partners (Enter the names and addresses of all the general partners. Attach additional pages, if necessary.)

5a. NAME

ADDRESS

CITY

STATE

ZIP CODE

COMM22 Housing GP, LLC

345 Spear Street, Suite 700

San Francisco

CA

94105

5b. NAME

ADDRESS

CITY

STATE

ZIP CODE

Additional Information

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

Execution (This certificate must be signed by all of the general partners. If additional signature space is necessary, the signatures may be made on an attachment to this certificate.)

7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED

April 13, 2011

DATE

Please see attached signature page

SIGNATURE OF GENERAL PARTNER

TYPE OR PRINT NAME OF GENERAL PARTNER

SIGNATURE OF GENERAL PARTNER

TYPE OR PRINT NAME OF GENERAL PARTNER

SIGNATURE PAGE
TO
CERTIFICATE OF LIMITED PARTNERSHIP
(FORM LP-1)
OF
COMM22 FAMILY HOUSING, L.P.,
a California limited partnership

Date: April 13, 2011

By:

Kimberly McKay
KIMBERLY MCKAY, the
Vice President of
BRIDGE Housing Corporation - Southern
California, a California nonprofit public
benefit corporation, a member and manager
of COMM22 Housing GP, LLC, a
California limited liability company, its
general partner



I hereby certify that the foregoing
transcript of 2 page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

APR 28 2011

Date: _____

Debra Bowen
DEBRA BOWEN, Secretary of State



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

1. Name of CONTRACTOR: COMM22 Housing GP, LLC
2. Address and Zip Code: 345 Spear Street, San Francisco, CA 94105
3. Telephone Number: (415) 989-1111
4. Name of Principal Contact for CONTRACTOR: Kimberly McKay, VP
5. Federal Identification Number or Social Security Number of CONTRACTOR:

45-3767700
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:

☐ A corporation (Attach Articles of Incorporation)

☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☐ A partnership known as: _____
(Name)

Check one

() General Partnership (Attach statement of General Partnership)

() Limited Partnership (Attach Certificate of Limited Partnership)

___ A business association or a joint venture known as:

(Attach joint venture or business association agreement)

___ A Federal, State or local government or instrumentality thereof.

X Other (explain)

Limited Liability Company, acting as General Partner of housing partnership.

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

COMM22 Housing GP, LLC was formed on April 27, 2011.

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%.

Name, Address and
Zip Code _____

Position Title (if any) and
percent of interest or description
of character and extent of interest

BRIDGE Housing Corporation and MAAC Project are the members of
COMM22 Housing GP, LLC. BRIDGE Housing Corporation is the Manager.

See separate disclosure statements and related materials for BRIDGE Housing Corporation and MAAC Project.

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.

COMM22 Housing GP, LLC was formed on April 27, 2011.

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.

No.

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):

Name, Address and
Zip Code _____

Position Title (if any) and
extent of interest _____

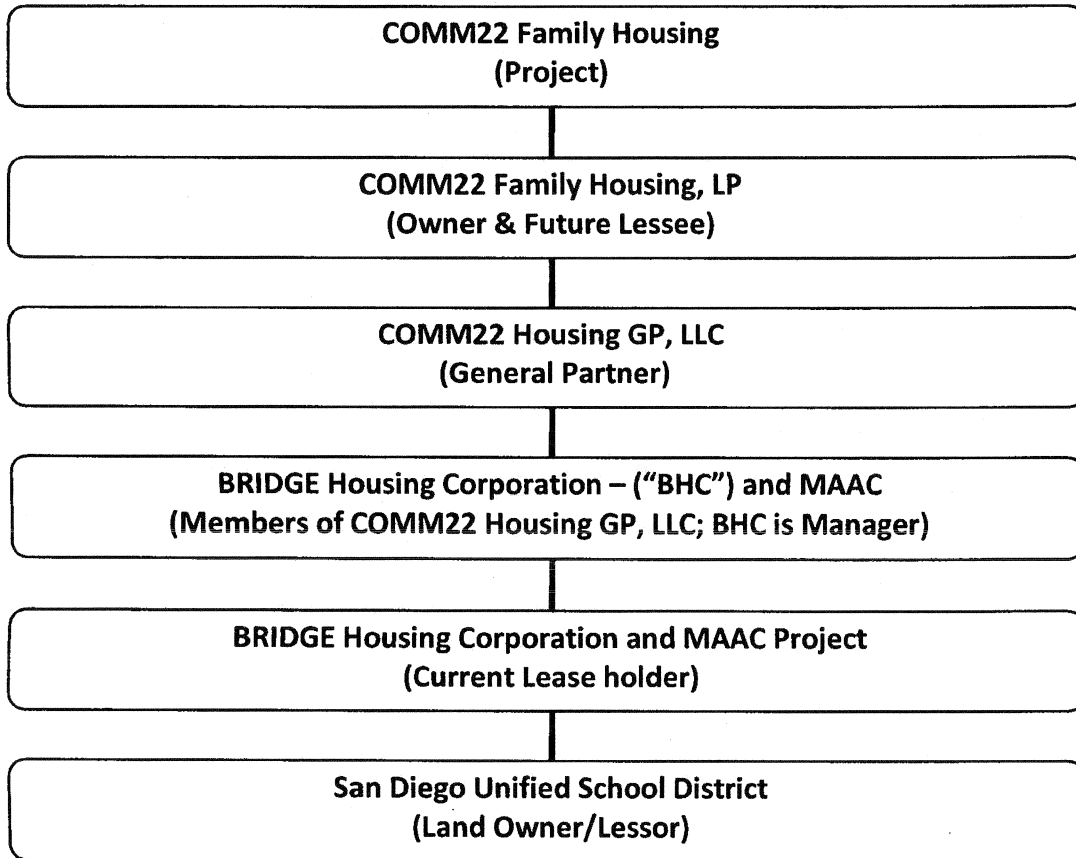
12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

Manager of COMM22 GP, LLC is BRIDGE Housing Corporation. All officers of BRIDGE Housing Corporation can be reached at the following address:
345 Spear Street, Suite 700, San Francisco, CA 94105.

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.

Multiple affiliate entities – see organizational chart provided.

**ORGANIZATIONAL CHART:
COMM22 FAMILY HOUSING**



The COMM22 Family site is owned by the San Diego Unified School District and is currently controlled by BRIDGE Housing Corporation and MAAC Project under an ground lease from the District.

The Family project will be developed and owned by COMM22 Family Housing, LP, with COMM22 Housing GP, LLC as the initial General Partner of the LP entity.

COMM22 Housing GP, LLC is comprised of BRIDGE Housing Corporation and MAAC. BRIDGE Housing Corporation is the Manager of the GP.

14. Provide 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 attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

See financial statement for BRIDGE Housing Corporation (submitted separately).
BRIDGE Housing Corporation is the parent entity of the manager of COMM22
Housing GP, LLC.

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:

The COMM22 Family Project will utilize mixed financing structure with 4% tax credits, HUD 202 Capital Advance, San Diego Housing Commission loan, State of California TOD Loan, and State of California Prop 1C grants (TOD Grant, IIG Grant, CALReUSE Grant). Bond financing will be utilized for construction and permanent financing.

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

- a. Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

The manager, BRIDGE Housing Corporation has adequate cash reserves and available financing. See financial statements.

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

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

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

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

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

Bank of America; 45 Fremont St., 9th Floor, San Francisco, CA 94105
Contact: Margaret Schrand

Union Bank; 200 Pringle Avenue, Suite 335, Walnut Creek, CA 94596
Contact: Jonathan Klein

US Bank; 621 Capitol Mall, Suite 800, Sacramento, CA 95814
Contact: John Chan

Citibank; One Sansome Street, 22nd Floor, San Francisco, CA 94104
Contact: Merle Malakoff

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 X No

If yes, give 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 X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

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:

<u>Bond</u> <u>Type</u>	<u>Project</u> <u>Description</u>	<u>Date of</u> <u>Completion</u>	<u>Amount</u> <u>of Bond</u>	<u>Action on</u> <u>Bond</u>
----------------------------	--------------------------------------	-------------------------------------	---------------------------------	---------------------------------

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:

Not Applicable – a 3rd party general contractor will be utilized.

a. Name and addresses of such contractor or builder:

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: \$ _____

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

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

<u>Identification of</u> <u>Contract or Development</u>	<u>Location</u>	<u>Date to be</u> <u>Amount</u> <u>Completed</u>
--	-----------------	---

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

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

22. Provide a detailed and complete statement respecting 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:

N/A

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), 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 COMMISSION, 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 X 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 attached hereto and hereby made a part hereof as follows:

No other statements are attached.

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

___ Yes X No

If yes, 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: See Certificates Attached.

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach 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 Operations Hazard
- ☐ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors

☒ Personal Injury

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

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

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

-
- f. Other (Specify). [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]
-
-
-
-

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 COMMISSION setting forth the provisions of this nondiscrimination clause.
-
-
-

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, 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 COMMISSION, 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 Commission 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 so state:

Government Entity
Making Complaint

Date

Resolution

No issues to report.

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. If so, please explain the circumstances in detail. If none, please so state:

None. The manager of this entity, BRIDGE Housing Corporation has never been disqualified, removed, etc. from bidding on or completing a project because of a violation of law or a safety regulation.

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:

Governmental Agency	Description License	License Number	Date Issued (original)	Status (current)	Revocation (yes/no)
------------------------	------------------------	-------------------	---------------------------	---------------------	------------------------

N/A

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 COMMISSION.

No factors will adversely affect COMM22 Housing GP, LLC's ability to repay the Commission's loan.

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 COMMISSION.

COMM22 Housing GP, LLC's manager, BRIDGE Housing Corporation, is the largest non-profit developer of affordable housing in California and has successfully developed over 13,000 homes in its 29-year history.

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

Date	Entity Involved (i.e., CITY COMMISSION, etc.)	Status (Current, delinquent repaid, etc.)	Dollar Amount
12/8/09	Redevelopment Agency	Current	\$21,783,000
6/24/11	Redevelopment Agency	Current	\$9,255,000

The above contracts were entered into by an affiliate of the manager entity, BRIDGE Housing Corporation.

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, 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 X No

If yes, explain:

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

Name: City of Carlsbad – Debbie Fountain

Address: 2965 Roosevelt Suite B, Carlsbad, CA 92008

Phone: (760) 434-2935

Project Name and Description: Poinsettia Station Apartments – Carlsbad, CA

Name: KTGY – Chris Texter

Address: 17992 Fitch, Irvine, CA 92614

Phone: (949) 851-2133

Project Name and Description: Sage Canyon Apartments

Name: City of San Marcos – Harry Williams

Address: 1 Civic Center Drive, San Marcos

Phone: (760) 744-1050

Project Name and Description: Sage Canyon Apartments

39. Give a brief statement respecting 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.

See previous responses.

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

A third-party general contractor will be utilized and that contractor will select the Construction Superintendent for the project.

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 ("COMMISSION"), 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 COMMISSION, 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 COMMISSION, 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 COMMISSION, 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 ____ day of _____, 20____, at San Diego, California.

CONTRACTOR

By:

Signature

Title

CERTIFICATION

The CONTRACTOR, COMM22 Housing GP, 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]

By: _____

Title: VP

Title: _____

Dated: 10/23/12

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.

ATTEST:

State of California

County of _____

Subscribed and sworn to before me this ____ day of _____, 20____.

Signature of Notary

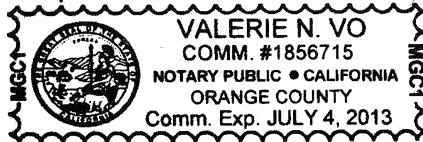
Name of Notary

State of California

County of Orange

Subscribed and sworn to (or affirmed) before me on this 23
day of October, 2012, by KIMBERLY MCKAY

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature Valerie Vo



State of California
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

201111810073

File #

ENDORSED - FILED
in the office of the Secretary of State
of the State of California
APR 27 2011

A \$70.00 filing fee must accompany this form.

IMPORTANT - Read instructions before completing this form.

This Space For Filing Use Only

ENTITY NAME (Enter the name with the words "Limited Liability Company," "Ltd. Liability Co.," or the abbreviations "LLC" or "L.L.C.")

1 NAME OF LIMITED LIABILITY COMPANY

COMM22 Housing GP, LLC

PURPOSE (The following statement is required by statute and may not be altered.)

2 THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPANY ACT.

INITIAL AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and both Items 3 and 4 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 3 must be completed (leave Item 4 blank).)

3 NAME OF INITIAL AGENT FOR SERVICE OF PROCESS

Becky Hlebasko

4 IF AN INDIVIDUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORNIA CITY STATE ZIP CODE

345 Spear Street, Suite 700

San Francisco

CA

94105

MANAGEMENT (Check only one)

5 THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY

☐ ONE MANAGER

☐ MORE THAN ONE MANAGER

☒ ALL LIMITED LIABILITY COMPANY MEMBER(S)

ADDITIONAL INFORMATION

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

EXECUTION

7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED

SIGNATURE OF ORGANIZER

April 12, 2011

DATE

Patrick Sukeforth

TYPE OR PRINT NAME OF ORGANIZER

RETURN TO (Enter the name and the address of the person or firm to whom a copy of the filed document should be returned)

8 NAME Patrick Sukeforth

FIRM Bocarsly Emden Cowan Esmail & Arndt LLP

ADDRESS 633 West 5th Street, 70th Floor

CITY/STATE/ZIP Los Angeles, CA 90071

LLC-1 (REV 03/2005)

500158561 50024567.1

APPROVED BY SECRETARY OF STATE



I hereby certify that the foregoing
transcript of 1 page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

APR 28 2011

Date:

Debra Bowen

DEBRA BOWEN, Secretary of State

**ATTACHMENT 3C
DISCLOSURE STATEMENT
BRIDGE HOUSING CORPORATION**

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

1. Name of CONTRACTOR: BRIDGE Housing Corporation
2. Address and Zip Code: 345 Spear Street, San Francisco, CA 94105
3. Telephone Number: (415) 989-1111
4. Name of Principal Contact for CONTRACTOR: Kimberly McKay, EVP
5. Federal Identification Number or Social Security Number of CONTRACTOR:

94-2827909
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:

☐ A corporation (Attach Articles of Incorporation)

☒ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☐ A partnership known as: _____
(Name)
Check one
☐ General Partnership (Attach statement of General Partnership)
☐ Limited Partnership (Attach Certificate of Limited Partnership)

___ A business association or a joint venture known as:

(Attach joint venture or business association agreement)

___ A Federal, State or local government or instrumentality thereof.

___ Other (explain)

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

Articles of Incorporation were filed on 6/1/82.

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%.

Name, Address and Zip Code _____	Position Title (if any) and percent of interest or description of character and extent of interest
-------------------------------------	--

See attached list showing the members of the Board of Directors.

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.

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.

No.

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):

Name, Address and
Zip Code _____

Position Title (if any) and
extent of interest _____

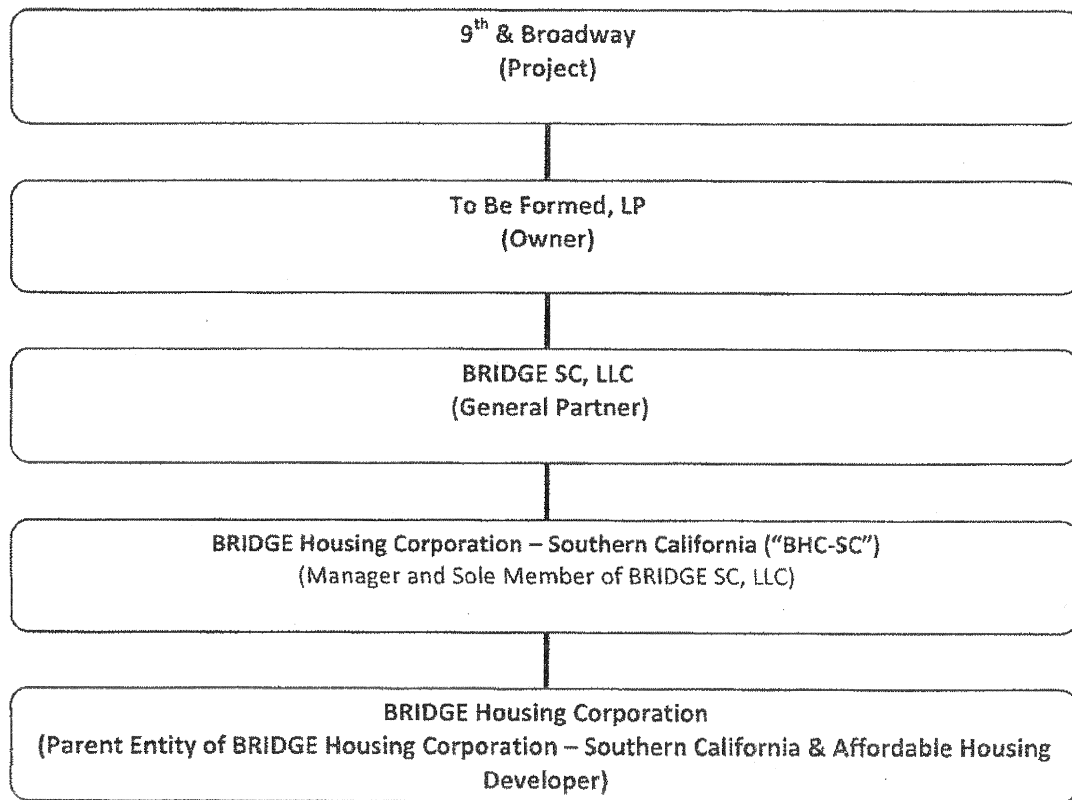
12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

See attached list showing the members of the Board of Directors.

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.

Multiple affiliate entities – see organizational chart provided.

ORGANIZATIONAL CHART:
9th & Broadway – 4% LIHTC Development



The development will be vertically subdivided with two separate ownership and financing structures. 9th & Broadway will be owned by two separate legal entities, Broadway Tower Associates, LP and a to be formed, LP.

The 9th & Broadway is currently leased by Broadway Tower Associates, LP from the City of San Diego. Broadway Towers Associates, LP is the limited partnership that will own the 9% portion of the development. The LP is controlled by BRIDGE SC, LLC, the same GP partner as the 4% limited partnership.

BRIDGE SC, LLC is comprised of BRIDGE Housing Corporation – Southern California. BRIDGE Housing Corporation – Southern California is the Manager of the GP. BRIDGE Housing Corporation – Southern California is a wholly controlled affiliate of BRIDGE Housing Corporation.

14. Provide 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 attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

See financial statement for BRIDGE Housing Corporation submitted under separate cover.

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:

9th & Broadway will utilize mixed financing structure with 4% tax credits/bonds for construction and permanent financing, tax credit investor equity and City of San Diego funds (formerly RDA funds)

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

- a. Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

BRIDGE Housing Corporation has adequate cash reserves and available financing. See financial statements.

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

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

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

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

17. Names and addresses of bank references, and name of contact at each reference:
Bank of America; 45 Fremont St., 9th Floor, San Francisco, CA 94105
Contact: Jeff Bennett

Union Bank; 200 Pringle Avenue, Suite 335, Walnut Creek, CA 94596
Contact: Jonathan Klein

US Bank; 621 Capitol Mall, Suite 800, Sacramento, CA 95814
Contact: John Chan

Citibank; One Sansome Street, 22nd Floor, San Francisco, CA 94104
Contact: Merle Malakoff

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 X No

If yes, give 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 X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

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:

Bond Type	Project Description	Date of Completion	Amount of Bond	Action on Bond
--------------	------------------------	-----------------------	-------------------	-------------------

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:

Not Applicable – a 3rd party general contractor will be utilized.

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

- 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: \$ _____

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

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

<u>Identification of</u> <u>Contract or Development</u>	<u>Location</u>	<u>Date to be</u> <u>Amount Completed</u>
--	-----------------	--

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

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

22. Provide a detailed and complete statement respecting 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:

Highland Partnership, Inc. has been selected as the contractor. See attached qualification statement from contractor.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), 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 COMMISSION, 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 attached hereto and hereby made a part hereof as follows:

No other statements are attached.

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

☐ Yes ☒ No

If yes, 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: See Certificates Attached.

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach 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 Operations Hazard
- ☐ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors
- ☒ Personal Injury

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

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

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

- f. Other (Specify). [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

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 COMMISSION setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, 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 COMMISSION, 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 Commission 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 so state:

Government Entity
Making Complaint

Date

Resolution

No issues to report.

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. If so, please explain the circumstances in detail. If none, please so state:

None. BRIDGE Housing Corporation has never been disqualified, removed, etc. from bidding on or completing a project because of a violation of law or a safety regulation.

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:

<u>Governmental Agency</u>	<u>Description License</u>	<u>License Number</u>	<u>Date Issued (original)</u>	<u>Status (current)</u>	<u>Revocation (yes/no)</u>
----------------------------	----------------------------	-----------------------	-------------------------------	-------------------------	----------------------------

N/A

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 COMMISSION.

No factors will adversely affect BRIDGE Housing Corporation's ability to repay the Commission's loan.

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 COMMISSION.

BRIDGE Housing Corporation is the largest non-profit developer of affordable housing in California and has successfully developed over 13,000 homes in its 29-year history.

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

<u>Date</u>	<u>Entity Involved (i.e., CITY COMMISSION, etc.)</u>	<u>Status (Current, delinquent repaid, etc.)</u>	<u>Dollar Amount</u>
12/11/09	Redevelopment Agency	Current	\$21,783,000
6/24/11	Redevelopment Agency	Current	\$9,255,000

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 X No

If yes, 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, explain:

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

Name: City of Carlsbad – Debbie Fountain

Address: 2965 Roosevelt Suite B, Carlsbad, CA 92008

Phone: (760) 434-2935

Project Name and Description: Poinsettia Station Apartments – Carlsbad, CA

Name: KTGY – Chris Texter

Address: 17992 Fitch, Irvine, CA 92614

Phone: (949) 851-2133

Project Name and Description: Pottery Court – Lake Elsinore, CA

Name: City of San Marcos – Harry Williams

Address: 1 Civic Center Drive, San Marcos

Phone: (760) 744-1050

Project Name and Description: Sage Canyon Apartments

39. Give a brief statement respecting 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.

See previous responses.

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

Michael Wood – Highland Partnership, Inc. Senior Superintendent.

Mr. Wood has more than 32 years experience in the commercial construction industry in the San Diego and Southern California Market, serving as Field Supervisor and Project Superintendent on some of Southern California's largest construction projects. Major strengths include supervision of complex commercial, institutional and military projects, concrete placement and finish, and seismic enhancements. Mr. Wood has developed many strong client and industry relationships with a proven record performance and results.

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 ("COMMISSION"), 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 COMMISSION, 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 COMMISSION, 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 COMMISSION, 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 27 day of May, 2012, at San Diego, California.

CONTRACTOR

By:

Signature

Title

CERTIFICATION

The CONTRACTOR, BRIDGE Housing Corporation, 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]

By: _____

Title: EVP

Title: _____

Dated: 5/28/12

Dated: _____

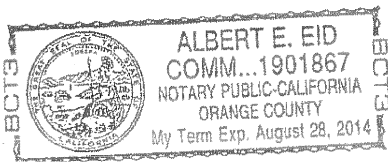
WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not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

ATTEST:

State of California

County of Orange

Subscribed and sworn to before me this 28th day of May, 2012.



[Signature]
Signature of Notary

Albert E. Eid
Name of Notary

BOARD OF DIRECTORS

Douglas D. Abbey
AMB Capital Partners LLC
Pier 1, Bay 1
San Francisco, CA 94111

Richard Bender
Dean, Professor Emeritus
Center for Environmental Design Research
390 Wurster Hall, #1839
College of Environmental Design
U.C. Berkeley
Berkeley, CA 94720-1839

Ray Carlisle
Carlisle Companies
2200 Powell Street, Suite 530
Emeryville, CA 94608

Kent Colwell, CRE
Parthenon Associates
220 Montgomery Street, Penthouse 10
San Francisco, CA 94104

Harry Haigood
332 Infantry Terrace (home business)
San Francisco, CA 94129

Richard Holliday
Holliday Development
1500 Park Avenue, Suite 200
Emeryville, CA 94608

Mary King
Interim General Manager
AC Transit
1600 Franklin Street
Oakland, CA 94612

Ron Nahas
Rafanelli & Nahas
3697 Mt. Diablo Boulevard
Suite 250
Lafayette, CA 94549

Dennis O'Brien
The O'Brien Group
950 Tower Lane, Suite 1250
Foster City, CA 94404

Peter Palmisano
850 Meadowood Lane (home business)
St Helena, CA 94574

Lynn Sedway
Sedway Consulting
44 Montgomery Street, Suite 3705
San Francisco, CA 94104

Alan L. Stein
JMP Securities LLC
600 Montgomery Street, Suite 1100
San Francisco, CA 94111

Paul Stein
SKS Investments LLC
500 Treat Street, Suite 200
San Francisco, CA 94110

Ernesto Vasquez
McLarand Vasquez Emsiek & Partners
1900 Main Street, 8th floor
Irvine, CA 92614

Clark Wallace
Clark Wallace Realtor & Associates
13 Bel Air Drive
Orinda, CA 94563

Susanne B. Wilson
Solutions by Wilson
155 E. Campbell Avenue # 200
Campbell, CA 95008

Jim Wunderman
Bay Area Council
201 California Street, 14th Floor
San Francisco, CA 94111

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

1. Name of CONTRACTOR: Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc. dba MAAC Project
2. Address and Zip Code: 1355 Third Avenue, Chula Vista, CA 91911
3. Telephone Number: (619) 426-3595
4. Name of Principal Contact for CONTRACTOR: Arnulfo Manriquez
5. Federal Identification Number or Social Security Number of CONTRACTOR: 95-2457354
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:

___ A corporation (Attach Articles of Incorporation)

X A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

___ A partnership known as: _____ (Name)

Check one

() General Partnership (Attach statement of General Partnership)

() Limited Partnership (Attach Certificate of Limited Partnership)

___ A business association or a joint venture known as:

(Attach joint venture or business association agreement)

___ A Federal, State or local government or instrumentality thereof.

___ Other (explain)

7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization: June 8, 1965
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%.

Name, Address and Zip Code _____	Position Title (if any) and percent of interest or description of character and extent of interest
-------------------------------------	--

(Attach extra sheet if necessary) See Exhibit A "Board Member Roster"

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. Two Board members resigned from the Board in the last 12 months. We have recruited two new Board Members to replace them. A third Board Member has taken a leave of absence from the Board. We currently have 11 active Board Members.

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.

We are actively recruiting for new Board Members to a maximum of 19 Board Members.

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):

Name, Address and
Zip Code

Position Title (if any) and
extent of interest

N/A

N/A

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: See Exhibit A "Board Member Roster"

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.

MAAC Project/ 1355 Third Avenue, Chula Vista, CA 91911

COMM22, LLC/ 345 Spear Street, Suite 700, San Francisco, CA 94105

14. Provide 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 attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position. See Exhibit B "Financial Statements"

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: Project will be financed with conventional debt, tax credit equity and soft debt from state and local agencies.

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

- a. Name, Address & Zip Code of Bank/Savings & Loan: Please refer to attached financial statements, in addition, contractor is not expected to have any additional equity requirements.

Amount: \$ _____

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

Name, Address & Zip Code of Bank/Savings & Loan:

Amount: \$ _____

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

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
	\$	\$

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

Union Bank of California 530 'B' Street, Suite S-535 San Diego, CA 92101	Jane Wolgemuth Vice President, Commercial Treasury Services
--	--

Bank of America 333 S. Hope Street, 12 th Floor Los Angeles, CA 90071	Brenda Matlock Vice President, Treasury Solutions Officer
--	--

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 X No

If yes, give 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 X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

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:

Bond Type	Project Description	Date of Completion	Amount of Bond	Action on Bond
--------------	------------------------	-----------------------	-------------------	-------------------

N/A

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: N/A
Construction Contractor has not been identified.

a. Name and addresses of such contractor or builder:

- 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: \$ _____

General description of such work:

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

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

<u>Identification of Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be Completed</u>
--	-----------------	---------------	---------------------------------

N/A

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

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

N/A

22. Provide a detailed and complete statement respecting 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: N/A, Construction contractor has not been identified.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), 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 COMMISSION, 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 X 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 attached hereto and hereby made a part hereof as follows: No additional items are attached.

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

 Yes X No

If yes, 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: See Certificates Attached.

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

Check coverage(s) carried: See Exhibit C "Contractor's Insurance Coverage"

- | | | |
|-------------------------------------|--------------------------------------|--|
| <input checked="" type="checkbox"/> | Comprehensive Form | Premises and property coverage for scheduled locations – does not include Comm22 site. |
| <input checked="" type="checkbox"/> | Premises - Operations | |
| <input checked="" type="checkbox"/> | Explosion and Collapse Hazard | |
| <input type="checkbox"/> | Underground Hazard | |
| <input checked="" type="checkbox"/> | Products/Completed Operations Hazard | |
| <input type="checkbox"/> | Contractual Insurance | |
| <input checked="" type="checkbox"/> | Broad Form Property Damage | |
| <input type="checkbox"/> | Independent Contractors | |
| <input checked="" type="checkbox"/> | Personal Injury | |

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

Check coverage(s) carried:

- | | |
|-------------------------------------|--------------------|
| <input checked="" type="checkbox"/> | Comprehensive Form |
| <input checked="" type="checkbox"/> | Owned |
| <input checked="" type="checkbox"/> | Hired |
| <input checked="" type="checkbox"/> | Non-Owned |

- c. Workers Compensation [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

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

Miscellaneous Professional Liability \$1,000,000 per claim/\$2,000,000 aggregate

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

\$5,000,000 over GAIC policy #PAC 2153153

- f. Other (Specify). [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

Directors & Officers/EPLI \$2,000,000 per claim/\$2,000,000 aggregate – combined limits.
Commercial Crime: Abuse/Molestation per attached.

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 COMMISSION setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, 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 COMMISSION, 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 Commission 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 so state:

Government Entity
Making Complaint

Date

Resolution

No complaints, citations, etc., reported.

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. If so, please explain the circumstances in detail. If none, please so state:

MAAC has never been disqualified, removed, etc. from bidding on/or
completing a project because of a violation of law or safety regulations.

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:

Governmental Agency	Description License	License Number	Date Issued (original)	Status (current)	Revocation (yes/no)
------------------------	------------------------	-------------------	---------------------------	---------------------	------------------------

N/A

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 COMMISSION. N/A

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 COMMISSION. N/A

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

Date	Entity Involved (i.e., CITY COMMISSION, etc.)	Status (Current, delinquent repaid, etc.)	Dollar Amount
------	---	---	------------------

See Exhibit B "Financial Statements"

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 X No

If yes, 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 X No

If yes, explain:

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

Name: Wade Okada, National Equity Fund, Inc.

Address: 500 South Grand Avenue, Suite 2300, Los Angeles, CA 90071

Phone: (213) 240-3143

Project Name and Description: Laurel Tree Apartments, a 138-unit apt ranging 2-4 bdrms & 40-50% AMI. Completed July 2000.

Name: Paty Lam, San Diego Housing Commission

Address: 1122 Broadway, Suite 300, San Diego, CA 92101

Phone: (619) 231-9400

Project Name and Description: Mercado Apartments. A 144-unit apt. ranging 1-3 bdrms & 35-60% AMI. Completed June 1994

Name: Myrna Manaloto, Dept. of HCD, County of San Diego

Address: 3989 Ruffin Road, San Diego, CA 92123

Phone: (858) 694-4874

Project Name and Description: San Martin de Porres, 116-unit apts ranging 2-4 bdrms & 35-45% AMI. Completed December 2000.

39. Give a brief statement respecting 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. Construction contractor has not been identified.
40. Give the name and experience of the proposed Construction Superintendent.
N/A. Construction contractor has not been identified.

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 ("COMMISSION"), 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 COMMISSION, 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 COMMISSION, 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).

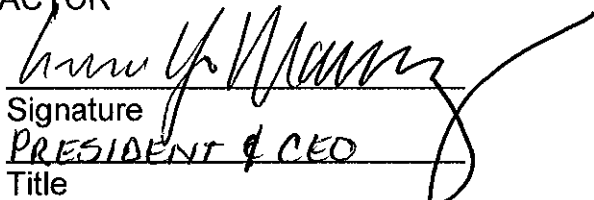
CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information 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 23 day of October, 2012, at San Diego, California.

CONTRACTOR

By:


Signature
PRESIDENT & CEO
Title

CERTIFICATION

The CONTRACTOR, MAAC Project, 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] By: _____
Title: President & CEO Title: _____
Dated: 10/23/2012 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.

ATTEST:

State of California

County of San Diego

Subscribed and sworn to before me this 23rd day of Oct., 2012.

See Attached Calif. Jurat
Signature of Notary with Affiant
Lisa D. Phippen Stmt.
Name of Notary

SEAL

CALIFORNIA JURAT WITH AFFIANT STATEMENT

- ☒ See Attached Document (Notary to cross out lines 1-6 below)
☐ See Statement Below (Lines 1-5 to be completed only by document signer[s], *not* Notary)

[Signature]
Signature of Document Signer No. 1

Signature of Document Signer No. 2 (If any)

State of California

County of SAN DIEGO

Subscribed and sworn to (or affirmed) before me on this

23rd day of Oct., 2012, by
Date Month Year

(1) Arnulfo Marquez
Name of Signer

proved to me on the basis of satisfactory evidence
to be the person who appeared before me (.) (.)

(and

(2) _____
Name of Signer

proved to me on the basis of satisfactory evidence
to be the person who appeared before me.)

Signature

[Signature]
Signature of Notary Public
LISA D. PIPPEN, NOTARY PUBLIC



Place Notary Seal Above

OPTIONAL

*Though the information below is not required by law, it may prove
valuable to persons relying on the document and could prevent
fraudulent removal and reattachment of this form to another document.*

Further Description of Any Attached Document

Title or Type of Document: Contractor's Statement for Public Disclosure

Document Date: Oct. 23, 2012 Number of Pages: 1

Signer(s) Other Than Named Above: None

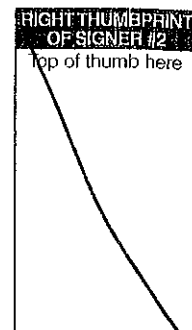
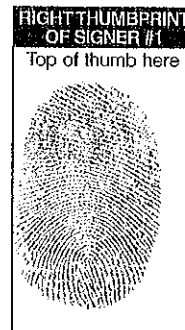


Exhibit A "Board Member Roster"

Jesse Q. Allen <i>Home Loans Executive, Bank of America</i> <i>Board Member since January 2011</i>	
[work] 7700 El Camino Real Carlsbad, CA 92009	[e] jesseqallen@gmail.com jesse.allen@bankofamerica.com
[home] 1078 Vega Way San Marcos, CA 92078	[w] [c] 760.473.7517 [f] 949.315.5794

C. Anthony Valladolid <i>Director, Student Policies & Judicial Affairs (Retired)</i> <i>University of California, San Diego</i> <i>Board Member since October 2009</i>	
[home] 1824 Port Renwick Chula Vista, CA 91913	[e] avalladolid49@gmail.com
	[h] 619. 656.0945 [c] 619.916.1090

Norma Chavez Peterson <i>Community Organizing Director, American Civil Liberties Union of San Diego & Imperial Counties</i> <i>Board Member since April 2009</i>	
[home] 1662 Point Conception Court Chula Vista, CA 91911	[e] norma@aclusandiego.org nchavezpeterson@gmail.com
	[w] 619.232-2121 [c] 619.572-7286 [f]

Viviana Ochoa <i>Sr. Internal Controls Manager, Science Application International Corporation (SAIC)</i> <i>Board Member since January 2011</i>	
[home] 8477 Denton Street La Mesa, CA 91942	[e] vivi_8a@yahoo.com viviana.ochoa@saic.com
	[c] 619.405.9945

Michelle Soltero <i>Infant Toddler Specialist/Coordinator Region XII</i> <i>Center for Child & Family Studies, WestEd</i> <i>Board Member since October 2008</i>	
[home] 10157 Tres Lagos Court Spring Valley, CA 91977	[e] solterofamily10157@cox.net
	[h] 619.670.4123 [w] 619.644.7717 [c] 619.726.3471

Clare Crawford <i>Executive Director, Center on Policy Initiatives</i>		<i>Board Member since January 2011</i>	
[work]	3727 Camino del Rio South, #100 San Diego, CA 92108	[e]	ccrawford@onlinecpi.org
[home]	All mail to be directed to: 4438 38 th Street San Diego, CA 92116	[c]	619.300.3304

Carmen Lopez <i>Voter Outreach Coordinator, County of San Diego</i>		<i>Board Member since January 2011</i>	
[work]	Registrar of Voters 5201 Ruffin Road, Suite I San Diego, CA 92123 MS O-34	[e]	carmen.lopez1@sdcounty.ca.gov cqlopez1@cox.net
		[c]	858.967.3309
		[w]	858.694.2129
[home]	395 5 th Avenue Chula Vista, CA 91910	[f]	858.694.2955

Francisco Medrano <i>Alcohol & Drug Program Specialist, County of San Diego</i>		<i>Board Member since January 2011</i>	
[work]	7798 Starling Drive, 3 rd Floor San Diego, CA 92123	[e]	fmadrano@yahoo.com
		[w]	858.492.2303
[home]	1431 Little Lake Chula Vista, CA 91913	[c]	619.253.0857

Ophelia Figueroa-Gaytan <i>MAAC Head Start Parent Policy Council Representative</i>		<i>Board Member since January 2012</i>	
[home]	210 Roma Avenue San Marcos, CA 92069	[e]	opheliafg@gmail.com GaytanTT.Services@gmail.com
[work]	Gaytan Tax & Translation Services 375 S. Rancho Santa Fe, Ste 102 San Marcos, CA 92069	[c]	760.994.9376
		[w]	760.571.9248

Sasha Cordova		<i>Board Member since September 2012</i>	
[home]	4255 Samoset San Diego, CA 92117	[e]	Sashadiego15@gmail.com Sasha.cordova@uav.com
		[c]	858.436.5558

Rocio Ventura		<i>Board Member since September 2012</i>	
[home]	505 Hemphill Drive San Marcos, CA 92069	[e]	Rventura07@gmail.com
		[c]	760.716.1431

Exhibit B "Financial Statements"

MAAC Consolidated Operational Budget Summary

Fiscal Year 2012

Unaudited Accrual Basis

Excludes In-Kind

8 months ending August 31, 2012

	8 Months Ending 8/31/2012	Total Budget	% Realized	YTD Straight Line Variance	% of Total Expenses
Grand Total Income	21,988,921	35,080,663	62.7%	(1,398,188)	
PERSONNEL					
Total Salaries & Wages	10,981,390	16,647,678	66.0%	117,062	49.5%
Payroll Taxes	1,053,681	1,532,205	68.8%	(32,211)	4.7%
Workers Compensation Insurance	805,370	993,204	81.1%	(143,234)	3.6%
Fringe Benefits	2,179,590	3,117,082	69.9%	(101,536)	9.8%
Grand Total Personnel	15,020,031	22,290,169	67.4%	(159,918)	67.7%
OPERATING					
Facilities	2,329,239	4,171,715	55.8%	451,904	10.5%
Interest Expense	37,281	56,000	66.6%	52	0.2%
Travel & Transportation	467,482	883,793	52.9%	121,714	2.1%
Training	98,446	387,524	25.4%	159,904	0.4%
Supplies (All types) and Equipment	1,650,578	2,659,160	62.1%	122,196	7.4%
Client Supportive Services	1,188,563	2,280,219	52.1%	331,583	5.4%
Professional Services & Consulting	451,411	480,380	94.0%	(131,157)	2.0%
Equipment Rental & Maint	85,183	131,978	64.5%	2,803	0.4%
Advertising & Marketing	17,766	58,047	30.6%	20,932	0.1%
Regulatory, Monitoring and Other Fees	134,098	264,459	50.7%	42,208	0.6%
Subcontracts	667,510	1,237,600	53.9%	157,556	0.1%
Special Events	-	40,429	0.0%	26,953	0.6%
Other Expenses	50,396	138,404	36.4%	41,873	0.2%
Grand Total Operating	7,177,951	12,789,708		1,348,521	30.0%
Grand Total Expenses	22,197,982	35,079,877	63.3%	1,188,603	100.0%
Total Net From Properties, Program & Admin Ope	(209,061)	786			
Net Income (Loss) From Investment in Properties	85,546	38,036			
Less Depreciation on Non Properties	(363,651)	-			
Grand Total	(487,166)	38,822			
	(0.00)				

MAAC Consolidated Statement of Position
Fiscal Year 2012
Unaudited Accrual Basis
Excludes In-Kind
August 31, 2012

	August 31, 2012	Dec 31, 2011	Change
Current assets			
Cash & cash equivalents	456,480	1,189,894	(733,414)
Restricted cash and cash equivalents	306,201	507,029	(200,828)
Accounts receivable	3,810,349	2,876,019	934,331
Prepaid expenses	78,706	360,403	(281,697)
Other current assets	266,376	386,351	(119,975)
Total Current assets	4,918,113	5,319,696	(401,583)
Investment in rental property	9,625,057	9,830,757	(205,700)
Property & equipment	9,997,922	9,969,759	28,163
Other assets			
Accrued developers fees	381,017	381,017	-
Deposits	288,104	611,384	(323,281)
Investment in other entities	3,836,452	3,836,452	-
Other assets	435,172	449,487	(14,315)
Total Other assets	4,940,744	5,278,340	(337,596)
Total assets	29,481,836	30,398,552	(916,715)
Current liabilities			
Accounts payable	2,416,072	3,508,851	(1,092,779)
Accrued payroll and related liabilities	1,325,675	1,243,612	82,063
Current portion long term debt	1,122,515	1,259,328	(136,813)
Deferred revenue and working capital advances	693,825	266,482	427,343
Total Current liabilities	5,558,087	6,278,274	(720,186)
Long term liabilities			
Long term debt less current portion	15,834,504	15,759,641	74,862
Advances payable	351,138	351,138	(0)
Other liabilities	64,999	72,304	(7,305)
Total Long term liabilities	16,250,641	16,183,083	67,557
Total liabilities	21,808,728	22,461,357	(652,629)
Changes from CY Activities	8,160,275	7,937,195	223,080
Total Net assets	(487,166)	-	(487,166)
Total Net assets	7,673,108	7,937,195	(264,086)
Total liabilities & net assets	29,481,836	30,398,552	(916,714)

Exhibit C "Contractors Insurance"



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/22/2012**PRODUCER**GEISEN INSURANCE BROKERS, INC.
2910 MORNING CREEK RD., SUITE 4
CHULA VISTA, CA 91914-4312TEL (619) 661-0641
FAX (619) 661-0642**THIS CERTIFICATION IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.****INSURERS AFFORDING COVERAGE****NAIC #****INSURED**METROPOLITAN AREA ADVISORY COMMITTEE ON
ANTI-POVERTY OF SAN DIEGO COUNTY, INC.
and MAAC COMMUNITY CENTER, INC.
1355 THIRD AVENUE, CHULA VISTA, CA 91911

INSURER A: GREAT AMERICAN ASSURANCE COMPANY

INSURER B: GREAT AMERICAN ALLIANCE INS. CO.

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR/ADD'L LTR/INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY	PAC 2153153	07/01/2012	07/01/2013	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 1,000,000
					FIRE DAMAGE	\$ 300,000
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
B	AUTOMOBILE LIABILITY	CAP 4884117	07/01/2012	07/01/2013	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
<input type="checkbox"/> HIRED AUTOS						
<input type="checkbox"/> NON-OWNED AUTOS						
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
A	EXCESS/UMBRELLA LIABILITY	EXC 2254897	07/01/2012	07/01/2013	EACH OCCURRENCE	\$ 5,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 5,000,000
	<input type="checkbox"/> DEDUCTIBLE					\$
	<input type="checkbox"/> RETENTION \$					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
A	OTHER	PAC 2153153	07/01/2012	07/01/2013	COVERAGE LIMIT	500,000 per occurrence
	CRIME- FORGERY; COMPUTER FRAUD; EMPLOYEE THEFT					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

ABUSE/MOLESTATION - Great American Assurance - PAC 2153153 - \$1,000,000 per claim/\$2,000,000 aggregate

PROFESSIONAL LIABILITY (Misc. Risk) - Great American Assurance - PAC 2153153 - \$1,000,000 per claim/\$2,000,000 aggregate

DIRECTORS & OFFICERS / EPLI - Philadelphia Insurance Co. - Policy # PHSD 744031 \$2,000,000 per claim/\$2,000,000 aggregate - combined limits

CERTIFICATE HOLDER**CANCELLATION**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

3D-22

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



CERTIFICATE OF LIABILITY INSURANCE

OP ID: VP

DATE (MM/DD/YYYY)

10/22/12

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Rancho Mesa Insurance Services 250 Riverview Parkway #401 Santee, CA 92071 Barbara Fink		619-937-0164 619-937-0168	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: MAACP-2	FAX (A/C, No):	
INSURED Metropolitan Area Advisory Committee; dba: MAAC Project 1355 Third Avenue Chula Vista, CA 91911		INSURER(S) AFFORDING COVERAGE INSURER A: Cypress Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:			NAIC # 10855

COVERAGES**CERTIFICATE NUMBER: 1****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG	\$
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A			3300061851-121	07/01/12	07/01/13	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: OPERATIONS OF THE NAMED INSURED AS CERTIFICATE HOLDERS INTEREST MAY APPEAR**CERTIFICATE HOLDER****SDHOUS4**San Diego Housing Commission
1122 Broadway, Ste 300
San Diego, CA 92101**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Barbara Fink

© 1988-2009 ACORD CORPORATION. All rights reserved.

**ORGANIZATIONAL CHART:
COMM22 FAMILY HOUSING**



The COMM22 Family site is owned by the San Diego Unified School District and is currently controlled by BRIDGE Housing Corporation and MAAC Project under an ground lease from the District.

The Family project will be developed and owned by COMM22 Family Housing, LP, with COMM22 Housing GP, LLC as the initial General Partner of the LP entity.

COMM22 Housing GP, LLC is comprised of BRIDGE Housing Corporation and MAAC. BRIDGE Housing Corporation is the Manager of the GP.



MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
APRIL 15, 2011
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA

104 HCR11-046 Loan and Preliminary Bond Items for COMM 22 Family Housing

Wendy DeWitt, Director Real Estate and Joseph Correia, Project Manager present a staff report.

Chair Gramling and Commissioner Waring expressed their concerns surrounding the project costs.

Jeff Williams, Bridge Housing answered the Commissioner's questions regarding the property management components of the project.

Commission Waring expressed concerns that the Board has the opportunity to review the project again prior to closing with respect to total sources and uses. The project will come back to the Board before closing for the final authorization to issue bonds.

MOTION BY COMMISSIONER SIMS TO ACKNOWLEDGE COMMISSIONER WARING'S REQUEST AND APPROVE THE FOLLOWING RECOMMENDATIONS: SEEK HOUSING AUTHORITY APPROVAL, AS DESCRIBED IN THIS REPORT, FOR THE FOLLOWING: (A) APPROVE A SAN DIEGO HOUSING COMMISSION ("HOUSING COMMISSION") 55-YEAR RESIDUAL RECEIPTS LOAN, OF UP TO \$500,000, TO BRIDGE SC LLC, AS CONSTRUCTION AND PERMANENT FINANCING FOR COMM 22 FAMILY HOUSING, THE NEW CONSTRUCTION OF 128 UNITS OF RENTAL HOUSING FOR VERY LOW INCOME AND LOW INCOME FAMILIES, PLUS TWO UNRESTRICTED MANAGERS' UNITS, IN A MIXED-USE TRANSIT-ORIENTED DEVELOPMENT, LOCATED IN THE 2200 BLOCK OF COMMERCIAL STREET BETWEEN 22ND STREET AND HARRISON AVENUE. (1) THE HOUSING COMMISSION'S PROPOSED LOAN WOULD BE CONTINGENT UPON THE DEVELOPER RECEIVING ALL NECESSARY THIRD PARTY FUNDING COMMITMENTS INCLUDING APPROXIMATELY \$18,406,397 OF FOUR PERCENT TAX CREDITS, AN APPROXIMATE \$25,359,746 TAX EXEMPT BOND FINANCED LOAN, APPROXIMATELY \$9,255,000 OF ADDITIONAL LOAN FUNDS FROM THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO ("AGENCY"), AS WELL AS ADDITIONAL FUNDS FROM THIRD-PARTY SOURCES AS DESCRIBED IN THIS REPORT. (2) BEFORE CLOSING, AS PART OF THE FINANCIAL AUTHORIZATION FOR BONDS ISSUANCE, THE HOUSING COMMISSION WILL VERIFY THAT THE ESTIMATED FUNDING SOURCES ARE ADEQUATE AND IN PLACE. (B) APPROVE INITIAL STEPS TO ISSUE HOUSING AUTHORITY



SAN DIEGO
HOUSING
COMMISSION

Regular Meeting Minutes of
April 15, 2011

MULTIFAMILY HOUSING REVENUE BONDS, INCLUDING: (1) ISSUE A BOND INDUCEMENT RESOLUTION (DECLARATION OF OFFICIAL INTENT) FOR UP TO \$30,000,000 IN MULTIFAMILY HOUSING REVENUE BONDS FOR THIS PROJECT. (2) 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 OF UP TO \$30,000,000 FOR THIS PROJECT. (3) APPROVE A BOND FINANCING TEAM OF STRADLING Yocca CARLSON & RAUTH AS BOND COUNSEL AND ROSS FINANCIAL AS FINANCIAL ADVISOR TO WORK ON THIS PROJECT. (4) REQUEST THAT THE CITY COUNCIL HOLD A PUBLIC HEARING (KNOWN AS A TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) HEARING, AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS IN AN AMOUNT OF UP TO \$30,000,000 BY THE HOUSING AUTHORITY FOR THIS PROJECT. (C) AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER ("CEO"), OR HIS DESIGNEE, (1) TO EXECUTE ANY AND ALL DOCUMENTS AND INSTRUMENTS, AS APPROVED BY THE CEO, GENERAL COUNSEL AND BOND COUNSEL AND TO AUTHORIZE THE CEO TO PERFORM SUCH ACTS AS ARE NECESSARY TO IMPLEMENT THESE APPROVALS, AND (2) TO ADJUST FINANCING TERMS/CONDITIONS AS NECESSARY FOR CONSISTENCY WITH REQUIREMENTS OF OTHER FUNDING SOURCES OR TO ACCOMMODATE MARKET CHANGES THAT MAY OCCUR AFTER APPROVAL OF THIS REPORT BUT BEFORE CLOSE OF ESCROW. THE \$500,000 MAXIMUM HOUSING COMMISSION LOAN AMOUNT MAY NOT INCREASE. SECONDED BY COMMISSIONER BASIR AND CARRIED BY A UNANIMOUS VOTE OF 5-0 WITH COMMISSIONERS GUILLEN AND SPOON ABSENT.



EXECUTIVE SUMMARY

DATE ISSUED: March 30, 2011

REPORT NO: HCR 11-046

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of April 15, 2011

SUBJECT: Loan and Preliminary Bond Items for Comm 22 Family Housing

COUNCIL DISTRICT: 8

SUMMARY:

Comm 22 Family Housing is a proposed 130 unit new construction rental development, to be located at the 2200 block of Commercial Street. The land will be leased from the San Diego Unified School District. The project will have 34 one-bedroom units, 60 two-bedroom units, and 36 three-bedroom units (including 13 supportive housing units) which will be affordable to tenants earning 30 percent to 60 percent of Area Median Income. The project is a component of developer Bridge Housing SC LLC's multi-phase plan to construct a transit-oriented mixed-use development near the trolley stop at 25th and Commercial Streets. When completed, the overall multi-phase development will have 130 affordable rentals for families, seventy affordable rentals for seniors, a child daycare community facility, retail/commercial uses, and (in future phases) 17 for-sale row homes, and 27 live-work lofts with office space in a refurbished existing warehouse building. The housing multi-phases will be built as separate buildings on separate ground-leased parcels, with each housing phase to be owned by to-be-formed separate legal entities. The development is intended to improve and help revitalize the Logan Heights neighborhood.

STAFF RECOMMENDATIONS:

Seek Housing Authority approval to:

- 1) Approve an up to \$500,000 loan to Bridge SC LLC. The Housing Commission loan would be contingent upon the developer receiving all necessary third party funding commitments including four percent tax credits, tax exempt bonds, loan funds from the Redevelopment Agency of the City of San Diego, as well as additional funds from third-party sources. Before closing the Housing Commission will verify that the estimated funding sources are adequate and in place.
- 2) Approve initial steps to issue up to \$30,000,000 of Housing Authority mortgage revenue bonds, including issue a bond inducement resolution, authorize an application to the California Debt Limit Allocation Committee, approve a bond financing team, and request that the City Council hold a Tax Equity and Fiscal Responsibility Act hearing and adopt a bond issuance approval resolution.
- 3) Authorize the President and Chief Executive Officer ("CEO"), or his designee to execute documents, to perform such acts as are necessary to implement these approvals, and to adjust financing terms/conditions as necessary for consistency with requirements of other funding sources.

FISCAL CONSIDERATIONS:

Approval of this report's recommendations would result in the expenditure of up to \$500,000 in Housing Commission local funds.

REPORT CONTACT: J.P. Correia, Project Manager

619-578-7575



REPORT

DATE ISSUED: March 30, 2011

REPORT NO: HCR 11-046

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of April 15, 2011

SUBJECT: Loan and Preliminary Bond Items for COMM 22 Family Housing

COUNCIL DISTRICT: 8

REQUESTED ACTION:

Recommend Housing Authority of the City of San Diego ("Housing Authority") approval of a proposed \$500,000 residual receipts loan, and to take initial steps to issue Housing Authority multifamily housing revenue bonds to facilitate the new construction of 130 family rental homes as part of a mixed-use development to be located at the 2200 block of Commercial Street.

STAFF RECOMMENDATION:

Seek Housing Authority approval, as described in this report, for the following:

- A. Approve a San Diego Housing Commission ("Housing Commission") 55-year residual receipts loan, of up to \$500,000, to Bridge SC LLC, as construction and permanent financing for COMM 22 Family Housing, the new construction of 128 units of rental housing for very low income and low income families, plus two unrestricted managers' units, in a mixed-use transit-oriented development, located in the 2200 block of Commercial Street between 22nd Street and Harrison Avenue.
 1. The Housing Commission's proposed loan would be contingent upon the developer receiving all necessary third party funding commitments including approximately \$18,406,397 of four percent tax credits, an approximate \$25,359,746 tax exempt bond financed loan, approximately \$9,255,000 of additional loan funds from the Redevelopment Agency of the City of San Diego ("Agency"), as well as additional funds from third-party sources as described in this report.
 2. Before closing, as part of the final authorization for bonds issuance, the Housing Commission will verify that the estimated funding sources are adequate and in place.
- B. Approve initial steps to issue Housing Authority multifamily housing revenue bonds, including:
 1. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$30,000,000 in Multifamily Housing Revenue Bonds for this project.
 2. 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 of up to \$30,000,000 for this project.
 3. Approve a bond financing team of Stradling Yocca Carlson & Rauth as bond counsel and Ross Financial as financial advisor to work on this project.
 4. Request that the City Council hold a public hearing (known as a Tax Equity and Fiscal Responsibility Act (TEFRA)) hearing, and adopt a resolution approving the issuance of tax-exempt bonds in an amount of up to \$30,000,000 by the Housing Authority for this project.

- C. Authorize the President and Chief Executive Officer (“CEO”), or his designee,
1. to execute any and all documents and instruments, as approved by the CEO, General Counsel and bond counsel and to authorize the CEO to perform such acts as are necessary to implement these approvals, and
 2. to adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur after approval of this report but before close of escrow. The \$500,000 maximum Housing Commission loan amount may not increase.

SUMMARY:

COMM 22 LLC, a California limited liability company, has an option (which expires on September 21, 2012) to ground lease from the San Diego Unified School District (“SDUSD”), a 3.2 acre site at Commercial Street between 22nd and Harrison Streets (Attachment 1 – Site Maps). The developer has conceived a multi-phase plan to construct a transit-oriented mixed-use development. When completed, the overall multi-phase development will have 130 affordable rentals for families, seventy affordable rentals for seniors, a child daycare community facility, and retail/commercial uses. In future phases, the project will also include 17 for-sale row homes, and 27 live-work lofts with office space in a refurbished existing warehouse building. The housing phases will be built as separate buildings on separate ground-leased parcels, with each housing phase to be owned by to-be-formed separate legal entities. The development is intended to improve and help revitalize the Logan Heights neighborhood.

Senior Housing Component

On June 10, 2008 the Housing Authority approved an up to \$4,200,000 residual receipts Housing Commission loan, to COMM 22 LLC, for new construction of 70 rental units for low income seniors, on a portion of the site (HAR 08-009 “Loan Request for COMM 22 Senior Housing” - Attachment 2). The developer was successful in obtaining commitments from certain State programs for infrastructure and site remediation. However, the project was put on hold in late 2008, shortly after the State’s financial difficulties created a delay in the release of its Proposition 1C funding commitments. The developer is proceeding with the seventy unit project for seniors. The Seniors Housing component ownership will be applying to the Tax Credit Allocation Committee for 9 percent tax credits in July 2011.

Family Housing Component

The developer is now also proposing to construct, on a portion of the leased site, 130 one bedroom, two bedroom, and three bedroom rental units for very low and low income families (ranging from 30 percent to 60 percent Area Median Income (“AMI”), currently from \$23,550 to \$47,100/year for a four-person household). The Family Housing component ownership will be applying for 4 percent tax credits and applying to CDLAC for bonds.

Developer’s Request

In response to the Housing Commission’s current Notice of Funding Availability (“NOFA”) for Construction, Acquisition, and Operation of Affordable Rental Housing dated May 14, 2009, Bridge SC LLC submitted a loan request for \$500,000 of construction and permanent gap financing for the COMM 22 Family Housing project (Attachment 3 – Proforma).

Loan Disbursal Request

The developer has requested that the Housing Commission disburse its entire \$500,000 loan at the escrow closing. To mitigate risk, the Housing Commission does not typically release 100 percent of its

loan funds upfront at escrow closing. Staff is recommending that the Housing Commission loan disbursement be consistent with the Agency's loan disbursement. The Agency's loan disbursement schedule is currently being negotiated and has not been finalized. Current estimates are that the loans would be disbursed during construction, along with the construction lender, in proportion to each loan amount up to 80 percent total during construction, 10 percent upon certificate of occupancy and 10 percent upon conversion to the permanent loan. The CEO is authorized to revise the Housing Commission loan disbursement schedule if he deems it necessary.

The Proposed Development

The proposed COMM 22 Family Housing will consist of 130 units in two buildings, on 2.45 acres, with approximately 12,945 square feet of ground floor retail/commercial space facing the Commercial Street transit corridor. The proposed COMM 22 Family Housing will consist of 34 one-bedroom units, 60 two-bedroom units, and 36 three-bedroom units. Thirteen of the units will be reserved as supportive housing units. Each building will be served by an elevator. The four-story wood frame development will be constructed over a subterranean parking garage with two levels providing 353 parking spaces, along with 40 on-street spaces. The two buildings will be separated by a multi-purpose pedestrian plaza to be constructed over a to-be-vacated portion of Irving Avenue. The project will include Universal Design features and will comply with all federal accessibility standards. The architect is currently in the schematic design stage. The project will use State funds and payment of Prevailing Wage rates will be required.

The developer has obtained various site approvals from the City including a Site Development Permit (No.415853), a Planned Development Permit (No.454025), a General Plan amendment, a Community Plan amendment, a Vesting Tentative Map (No.415852), a Conditional Use Permit (No.454025), easements vacation, street vacation for a portion of Irving Avenue and 22nd Street, and a rezone (January 8, 2008, Ordinance Number O-19700). On March 7, 2011, the City's Community Development Block Grant staff certified that the project is in compliance with the City's Consolidated Plan. As a result of the entitlements, the City has required the developer to provide significant infrastructure improvements on and off site, including utility and drainage modifications.

The property requires extensive soil remediation. The project includes significant costs (Attachment 4) for infrastructure improvements (\$18,413,041 estimated) and soil remediation work (\$3,108,677 estimated) to be done over the entire site. The soil remediation is based on a Property Mitigation Plan prepared by environmental consultant SCS Engineers and approved by the County of San Diego Department of Environmental Health Land and Water Quality Division. The developer is planning to allocate these entire site costs between the family phase project and the seniors phase project. The developer obtained State commitments for approximately \$19,253,000 in Proposition 1C Transit Oriented Development funds and Infill Infrastructure grant funds for the project. The State requires obtaining all financing commitments before starting the infrastructure improvements with State funds.

The Property

The property owner, SDUSD, has given the developer an option to lease the property. The option will expire September 21, 2012. The entire property was appraised in fee simple (in December 2002 by Lipman Stevens & Thene Inc.) at \$3,985,000. Since the Housing Commission's loan will be secured against a leasehold, staff has requested an updated appraisal of the leasehold and of the as-built value. That updated appraisal is not available at this time but receipt of an appraisal supporting the proposed debt is expected prior to the Housing Authority's action.

The existing site includes four structures, including a four story warehouse building, and vacant land on the south side of Commercial Street, east of Interstate 5. All the existing structures except the warehouse building will be demolished. There will be no relocation costs. The immediate area has industrial uses to the north, east and west. To the south are single family residential uses. The trolley travels on Commercial Street with a trolley station located nearby at 25th and Commercial Street.

The Co-developers

COMM 22 LLC is the master developer for the overall COMM 22 multi-phase development. COMM 22 LLC has assigned its ground lease option to two affiliates: Bridge Southern California, a 501 (c) 3 nonprofit (Bridge SC LLC) and the nonprofit Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County Inc. ("MAAC"). The limited partnership which will own the COMM 22 Family Housing project has not yet been created.

Bridge SC LLC, the managing general partner for Bridge's Southern California limited partnerships, will be the Housing Commission loan borrower. Bridge SC LLC will ultimately be replaced by the not-yet-created limited partnership referred above but Bridge SC LLC will remain as a managing member of the to-be-formed ownership entity. Bridge SC LLC has developed approximately 1,100 affordable units in San Diego County including a Housing Commission funded project, the 112 units Torrey Del Mar Apartments located at 13875 Carmel Valley Road, San Diego which was completed in 2003, as new construction. That project's financing included 4 percent tax credits with tax-exempt bonds, and an \$892,111 Housing Commission residual receipts loan. The borrower single asset entity was Carmel Valley Housing Associates LP. Bridge Southern California's parent, Bridge Housing Corporation (Bridge), is one of the nation's most successful affordable housing developers with significant experience in a wide range of housing projects. Bridge was formed in 1983 and it has developed over 13,000 affordable homes in California.

MAAC is a multi-purpose social service agency with a successful forty-five year history of serving San Diego County. MAAC has developed over 1,000 units of affordable housing in San Diego County. MAAC's Housing Commission funded projects are:

- the 144 unit Mercado Apartments, located at 2001 Newton Avenue, San Diego (Barrio Logan). This project was completed in 1994 as new construction with financing from federal and State low income tax credits, and a \$1,425,000 Housing Commission residual receipts loan; and
- the 70 unit Mayberry Townhomes, located at 4328-4490 Mayberry Street, San Diego (South Crest). This project was completed in 2003, as acquisition with rehabilitation, with financing from tax-exempt bonds, and a \$2,657,897 Housing Commission residual receipts loan.

Both co-developers are in compliance with their Housing Commission loans.

The developer reports that Bronze Triangle Community Development Corporation will be a partner in the future for-sale and live/work lofts portion of COMM 22 and they will be the daycare provider in the COMM 22 Senior Housing building.

Development Team

ROLE/FIRM
Owner - a California limited partnership to be formed later.
Architect - McLarand Vasquez Emsiek & Partners (MVE)
Prevailing Wage Monitoring – to be determined.
Contractor - to be determined. The Housing Commission will require competitive bids.
Construction Lender – multifamily revenue bond issue. Lender bank to be determined.
Management - Bridge Property Management Company.
(This firm also manages Bridge’s Torrey Del Mar Apartments described above.)

AFFORDABLE HOUSING IMPACT:

The Housing Commission’s loan to the developer would provide construction and permanent gap financing to construct 128 units of affordable rental housing for families plus two unrestricted manager’s units. Housing Commission rent and occupancy restrictions would be recorded against the property for 55 years. The units will be affordable to tenants with incomes at Area Median Income (“AMI”) levels ranging from 30 percent AMI to 60 percent AMI. The developer intends to apply for funding under the State Mental Health Services Act (MHSA). If that application is successful it would result in restricting 13 one-bedroom units as supportive housing under MHSA.

Proposed Rents Would Be Based on the Redevelopment Law Rent Methodology

The developer has applied for Agency funding. The Agency’s Owner Participation Agreements (OPA) typically require that the project be subject to California Redevelopment Law (CRL). For annual adjustments to restricted rents, CRL requires the Agency to use a rent calculation methodology based on the California Health & Safety Code. CRL methodology is different from the Housing Commission’s standard HUD-based rent calculation methodology. Agency staff has requested that the Housing Commission’s loan use Agency’s CRL rent calculation methodology for time-to-time rent restriction adjustments. For 2011, CRL two-bedroom and three-bedroom rents are lower than the standard HUD-based rents; one bedroom rents are the same. It is proposed that the Housing Commission’s loan would use the Agency’s CRL methodology for periodic rent restriction adjustments.

Units Mix Details

The following table provides some of the project’s unit mix estimated details:

COMM 22 Family Housing - 128 restricted units (256 total bedrooms), and 2 managers’ units.							
Affordability Mix	One Bedrooms (558 to 730 square feet)		Two Bedrooms (759 to 944 square feet)		Three Bedrooms (1,242 to 1,574 square feet)		Total
	Units	Estimated Net Rents	Units	Estimated Net Rents	Units	Estimated Net Rents	
30% AMI (MHSA supportive housing units)	13	\$253 *	0	--	0	--	13
50% AMI units	12	\$721 *	48	\$828 *	27	\$919 *	87
60% AMI units	9	\$868 *	12	\$998 *	7	\$1,108 *	28
Manager’s units	0	--	0	--	2	Managers	2
Total Units	34	--	60	--	36	--	130

* Estimated CRL based rents after utility allowance.

FISCAL CONSIDERATIONS:

Approval of this report's recommendations would result in the expenditure of up to \$500,000 of Inclusionary Housing, Condo Conversion/Density Bonus and Local Funds included in the current FY11 Housing Commission budget. The estimated total development cost is \$54,864,454 (\$422,034/unit). The Housing Commission's proposed \$500,000 loan cost would assist in restricting 128 family units (of the 130 total units). The cost to the Housing Commission would be \$3,907 per unit. The developer has obtained funding commitments from certain State programs (Attachment 5 – Financing Structure). The developer is also applying for State Mental Health Services Act ("MHSA") funds and is applying to the Agency for additional necessary funds.

Keyser Marston Associates and the Agency have also reviewed the project's proposed financing.

Developer Fee

The Developer has proposed receiving a \$2,500,000 developer fee for the COMM 22 Family Housing project in addition to the separate developer fee for the COMM 22 Seniors Housing project. For consistency with the Agency's OPA, the Housing Commission loan would defer to, and be consistent with, the Agency's approved maximum amount allowed for the COMM 22 Family project developer fee (currently estimated at \$2,500,000 of which approximately \$488,818 is deferred), for amounts of any deferred developer fee, and for the incremental disbursal payments of the developer's fee.

The Proposed Housing Commission Loan

Terms of the Housing Commission financing are summarized at Attachment 6. The Housing Commission's loan is contingent upon the developer obtaining all necessary third party funds, including approval from the Agency for its necessary loan. It is intended that the Housing Commission's loan would be consistent with the Agency's loan terms where possible.

Proposed Bond Financing

The first position loan would be capitalized through the issuance of tax-exempt bonds by the Housing Authority. The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make federal tax credits available) to developers of affordable housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a project, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, projects are brought before the Housing Commission, Housing Authority, and City Council. Housing Authority bond inducement resolutions must be obtained prior to application submittal and City Council TEFRA resolutions must be secured no later than 30 days after application submittal. These actions do not obligate the Housing Authority to issue bonds.

The bond application is due to CDLAC on July 22, 2011 and it is anticipated that this development will receive a bond allocation at CDLAC's September 21, 2011 meeting. The developer then has ninety days to close the bond financing unless an extension is received by CDLAC. If necessary, staff can submit additional applications to CDLAC to secure a bond allocation for the project. A general description of the Multifamily Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financing are described in Attachment 7.

The developer will be seeking a CDLAC allocation of approximately \$30,000,000. The developer currently proposes to issue the bonds through a tax exempt private placement bond issuance. The bonds

would meet all the requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and would fully comply with the City's ordinance on bond disclosure. The \$30,000,000 allocation that will be sought from CDLAC is approximately 20 percent higher than the amount for which the project is currently being underwritten for the construction financing, which is \$25,359,746. This increased amount represents a cushion to account for possible increases in the bond amount due to increases in construction costs or decreases in the assumed interest rate. The bond amount that is ultimately issued will be based upon project costs, revenues, and interest rates prevailing at the time of bond issuance. It is anticipated that the bonds will be used for both construction financing and permanent financing of the project.

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested bond actions. Approval of the bond inducement and TEFRA resolutions do not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City nor the faith and credit of 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 Housing Commission's issuer fee of approximately \$58,327. Staff recommends assigning Ross Financial as financial advisor and Stradling Yocca Carlson & Rauth as bond counsel to work on the project. The proposed financing team members have been selected in accordance with the existing Housing Commission policy for the issuance of bonds. Financial advisors and bond counsels are designated on a rotating basis from the firms selected through a competitive RFP process.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On March 30, 2011, the proposed actions were approved by the Housing Commission's Real Estate Committee. Previous actions by City Council are summarized in Attachment 8.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The proposed development was approved by the Southeastern San Diego Planning Group on September 10, 2007 by a unanimous vote of seven in favor with no abstentions. During the entitlement and design phase the developer also performed outreach and provided periodic updates to community groups.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

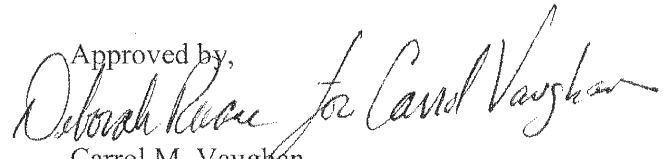
Stakeholders include: Bridge as a co-developer, MAAC as a co-developer, SDUSD as the land owner and lessor of the land, the Agency and the Housing Commission. The project is anticipated to have a positive impact on the two communities of Logan Heights and Sherman Heights that Comm 22 is located between as it will contribute to the quality of the surrounding neighborhood and provide affordable housing.

ENVIRONMENTAL REVIEW:

The City of San Diego previously evaluated the environmental impacts associated with this project in the City Council's December 4, 2007 approval of a Certification of Mitigated Negative Declaration No. 122002. Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

Respectfully submitted,


J.P. Correia
Project Manager

Approved by,

Carol M. Vaughan
Executive Vice President and
Chief Operating Officer

- Attachments:
- 1) Site Maps
 - 2) April 4, 2008 Loan Request for Comm 22 Senior Housing (HAR08-35)
 - 3) Proforma
 - 4) Infrastructure/Remediation Costs
 - 5) Financing Structure
 - 6) Proposed Loan Terms Summary
 - 7) Bond Program Summary
 - 8) Previous Related Actions
 - 9) Development Schedule
 - 10) Disclosure Statements
 - a) Bridge SC LLC
 - b) Bridge
 - c) MAAC (Disclosure is not currently available and will be distributed at the meeting.)

Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.

ATTACHMENT 6 – ESTIMATED PROFORMA

Summary

COMM22 Family – 4% tax credits

County: San Diego
 Site Area (Acres): 2.45
 Number of Units: 130

LIHTC: 4%
 % total development SF: 106,722 sq. ft.
 Density (Units per Acre): 53.1 DU/AC
 Construction Type: 4 stories wood frame

PREVAILING WAGE: YES
 Gross Building Area: 170,000
 Net Rentable Bldg. Area: 117,001

A. DEVELOPMENT BUDGET SUMMARY

Description	Total Amount	Per Unit	Per Resid. Unit	Per Resid. SF	Per Resid. SF
Land/Owner/Developer/Construction/Allocation to F.I.	\$ 134,237	\$ 1,033	\$ 1	\$ 1	\$ 1
Construction Rent - ground lease	\$ 105,212	\$ 817	\$ 1	\$ 1	\$ 1
Excluded Costs - allocation to Family project	\$ 890,763	\$ 6,821	\$ 58	\$ 58	\$ 48
Infrastructure	\$ 6,827,730	\$ 52,521	\$ 58	\$ 58	\$ 48
subtotal	\$ 7,958,942	\$ 61,223	\$ 68	\$ 68	\$ 56
Construction Site Work & Hard Costs	\$ 30,882,902	\$ 237,561	\$ 264	\$ 264	\$ 217
General Conditions/Overhead/Profit	\$ 1,865,091	\$ 14,347	\$ 16	\$ 16	\$ 13
Bond & Liability	\$ 558,141	\$ 4,301	\$ 5	\$ 5	\$ 4
Furnishings and Equipment	\$ 170,000	\$ 1,308	\$ 1	\$ 1	\$ 1
Public Art at Rear Plaza	\$ 300,000	\$ 2,308	\$ 3	\$ 3	\$ 2
Hard Cost Contingency	\$ 1,971,128	\$ 15,163	\$ 17	\$ 17	\$ 14
subtotal	\$ 35,748,262	\$ 274,987	\$ 306	\$ 306	\$ 252
Architecture/Engineering	\$ 2,804,900	\$ 21,576	\$ 24	\$ 24	\$ 20
Permits and Fees	\$ 2,788,164	\$ 21,524	\$ 24	\$ 24	\$ 20
Prebidder Interest Carry	\$ 350,000	\$ 2,692	\$ 3	\$ 3	\$ 2
Permanent Loan Interest/Fees	\$ 2,071,076	\$ 15,931	\$ 18	\$ 18	\$ 15
Permanent Loan Fees/Costs	\$ 190,000	\$ 1,462	\$ 2	\$ 2	\$ 1
Appraisal/Market Study	\$ 60,000	\$ 462	\$ 1	\$ 1	\$ 0
Marketing/Lease-up	\$ 248,000	\$ 1,908	\$ 2	\$ 2	\$ 2
Title/Audit/Cost Certification	\$ 103,000	\$ 792	\$ 1	\$ 1	\$ 1
Property Taxes	\$ 475,077	\$ 3,654	\$ 4	\$ 4	\$ 3
Soft Cost Contingency and Reserves	\$ 151,279	\$ 1,164	\$ 1	\$ 1	\$ 1
subtotal	\$ 10,113,771	\$ 77,798	\$ 86	\$ 86	\$ 71
TCAC & Syndication Costs	\$ 19,231	\$ 149	\$ 1	\$ 1	\$ 1
Developer Fee	\$ 2,500,000	\$ 19,231	\$ 21	\$ 21	\$ 18
TOTAL DEVELOPMENT COSTS	\$ 56,472,254	\$ 434,402	\$ 483	\$ 483	\$ 398

B. SOURCES AND USES

Source of Funds	Per Unit	Construction	Permanent	Period
B of A (Grant)	\$ 28,100,000	\$ -	\$ -	-
B of A - taxable construction loan (all/bridge loan)	\$ 597,386	\$ -	\$ -	-
B of A (Perm)	\$ -	\$ 3,590,682	\$ -	55
TOD Loan	\$ -	\$ 7,150,000	\$ -	55
MHSA/Taxable const. loan (all)	\$ 11,246	\$ 1,462,000	\$ -	55
Local - CDC, SEDC, SHHC	\$ 75,038	\$ 9,755,000	\$ -	55
COMM22, LLC loan - TOD, IIG, CALBALE	\$ 102,189	\$ 13,284,614	\$ -	55
SHHC, CDC, TOD Loan Construction Interest	\$ 2,178	\$ 283,076	\$ -	55
Deferred Day Fee	\$ -	\$ 488,813	\$ -	55
Investor Equity	\$ 1,000,000	\$ 20,437,626	\$ -	55
GP Equity (0.01% of LP payin)	\$ -	\$ 20,438	\$ -	55
TOTAL SOURCES	\$ 54,394,514	\$ 56,472,254	\$ -	55
Use of Funds	\$ 54,394,514	\$ -	\$ -	55
Acquisition / Infrastructure	\$ 61,223	\$ 7,958,942	\$ -	55
Construction	\$ 35,748,262	\$ 35,748,262	\$ -	55
A/E, Permits	\$ 5,603,064	\$ 5,603,064	\$ -	55
Indirect Expenses	\$ 1,016,077	\$ 1,016,077	\$ -	55
Financing and Carry Costs	\$ 2,421,076	\$ 2,421,076	\$ -	55
Other	\$ 483,814	\$ 483,814	\$ -	55
TCAC & Syndication Costs	\$ 151,279	\$ 151,279	\$ -	55
Developer Fee	\$ 2,500,000	\$ 2,500,000	\$ -	55
TOTAL USES	\$ 54,394,515	\$ 56,472,254	\$ -	55
NET SURPLUS(SHORTFALL)	\$ -	\$ -	\$ -	55

C. FINANCING ASSUMPTIONS

0 CONSTRUCTION LOAN	B of A (Grant)	\$ 28,100,000	3.75%	51.48%
Lender:				
Loan Amount:				
Loan Term:				
Loan/Bond to Value:				
1 PERMANENT DEBT SOURCE 1	B of A (Perm)	\$3,590,682	4.00%	1.31
Lender:				
Loan Amount:				
Loan Term:				
Loan/Bond to Value:				
2 PERMANENT DEBT SOURCE 2	TOD Loan	\$7,150,000	5.5%	1.15
Lender:				
Loan Amount:				
Loan Term:				
Loan/Bond to Value:				
3 PERMANENT DEBT SOURCE 3	MHSA	\$1,462,000	0.42%	1.15
Lender:				
Loan Amount:				
Loan Term:				
Loan/Bond to Value:				
4 PERMANENT DEBT SOURCE 4	Local - CDC, SEDC, SHHC	\$9,755,000	3.00%	1.15
Lender:				
Loan Amount:				
Loan Term:				
Loan/Bond to Value:				

D. FIVE YEAR CASH FLOW

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Affordable Rents	\$1,350,817	\$1,350,817	\$1,350,817	\$1,350,817	\$1,350,817	\$1,350,817
Misc. Income (Laundry/Cable Rsv. SI)	\$13,480	\$13,480	\$13,480	\$13,480	\$13,480	\$13,480
Gross Potential Income	\$1,364,297	\$1,364,297	\$1,364,297	\$1,364,297	\$1,364,297	\$1,364,297
Less Vacancy/Collection Loss	(\$63,165)	(\$63,165)	(\$63,165)	(\$63,165)	(\$63,165)	(\$63,165)
Effective RESIDENTIAL Gross Income	\$1,301,132	\$1,301,132	\$1,301,132	\$1,301,132	\$1,301,132	\$1,301,132
Less Operating Expenses	(\$479,933)	(\$479,933)	(\$479,933)	(\$479,933)	(\$479,933)	(\$479,933)
Less Replacement Reserves	(\$78,000)	(\$78,000)	(\$78,000)	(\$78,000)	(\$78,000)	(\$78,000)
Ground Lease to District	(\$121,407)	(\$121,407)	(\$121,407)	(\$121,407)	(\$121,407)	(\$121,407)
Rent Credit for Cleanup	\$106,212	\$106,212	\$106,212	\$106,212	\$106,212	\$106,212
Net RESIDENTIAL Operating Income	\$326,997	\$326,997	\$326,997	\$326,997	\$326,997	\$326,997
Total Hard Debt Payments	(\$285,558)	(\$285,558)	(\$285,558)	(\$285,558)	(\$285,558)	(\$285,558)
DISTRIBUTABLE CASH FLOW	\$41,439	\$41,439	\$41,439	\$41,439	\$41,439	\$41,439
Less PM, 4th Year & Add'l Res. Reserve	(\$27,500)	(\$27,500)	(\$27,500)	(\$27,500)	(\$27,500)	(\$27,500)
Net Cash Flow	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939
Net Cash Flow Distribution	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939
PHD	\$0	\$0	\$0	\$0	\$0	\$0
SHHC	\$0	\$0	\$0	\$0	\$0	\$0
CDC	\$0	\$0	\$0	\$0	\$0	\$0
SEDC	\$0	\$0	\$0	\$0	\$0	\$0
School District	\$0	\$0	\$0	\$0	\$0	\$0
Incentive Management Fee to GP	\$0	\$0	\$0	\$0	\$0	\$0
0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939	\$13,939
DEBT COVERAGE RATIO	1.15	1.14	1.19	1.24	1.30	1.35
1.8 of A (Perm) Debt Coverage Ratio						
ALL HAND DEBT Debt Coverage Ratio						

E. ANNUAL OPERATING EXPENSES (/ UNIT)

UNIT MIX AND RENTS	One	Two	Three
Studio	13	-	-
20%	-	-	-
30%	-	-	-
40%	10	6	-
50%	2	44	25
60%	9	12	7
MGR	-	-	-
TOTAL	34	62	34
0.0%	26.2%	47.7%	26.2%

Development Budget Assumptions

6-2

TAX CREDIT AFFORDABLE HOUSING PROGRAM
Schedule of Operating Expenses

Development Name: Comm 22 - Family
Contract Number: N/A
Fiscal Year:

Description of Account	Account Number	Proposed Budget Family 127	Per Unit Per Month
Renting Expenses			
Advertising	6210	2,000	1.28
Miscellaneous Renting Expenses	6250	3,000	1.92
Total Renting Expense		5,000	3.21
Administrative Expenses			
Office Salaries	6310	30,552	19.58
Office Supplies	6311	10,000	6.41
Office Rent	6312	0	0.00
Management Fee	6320	57,720	37.00
Manager's Salary	6330	26,750	17.15
Manager Rent Free Unit	6331	22,488	14.42
Legal Expense	6340	2,400	1.54
Audit Expense	6350	12,000	7.69
Bookkeeping/Account Services	6351	16,380	10.50
Telephone and Answering Service	6360	7,000	4.49
Bad Debts	6370	0	0.00
Misc. Administrative Expenses	6390	5,200	3.33
Temporary Office Help	6391	0	0.00
Program Service	6392	23,000	14.74
Total Admin Expense		213,490	136.85
Utilities Expense			
Fuel Oil/Coal	6420	0	0.00
Electricity	6450	42,900	27.50
Water	6451	46,800	30.00
Gas	6452	29,640	19.00
Sewer	6453	56,160	36.00
Total Utilities Expense		175,500	112.50
Operating and Maint. Expenses			
Janitor and Cleaning Payroll	6510	28,392	18.20
Janitor and Cleaning Supplies	6515	2,500	1.60
Janitor and Cleaning Contract	6517	4,500	2.88
Exterminating Payroll/Contract	6519	3,500	2.24
Exterminating Supplies	6520	0	0.00
Garbage and Trash Removal	6525	24,960	16.00
Security Payroll/Contract	6530	11,580	7.42
Grounds Payroll	6535	0	0.00
Grounds Supplies	6536	2,000	1.28
Grounds Contract	6537	39,000	25.00
Repairs Payroll	6540	24,632	15.79
Repairs Materials	6541	9,000	5.77
Repairs Contract	6542	8,000	5.13
Elevator Maintenance Contract	6545	4,600	2.95
Heating/Cooling Repairs and Maint.	6546	1,200	0.77
Swim Pool Maintenance/Contract	6547	0	0.00
Snow Removal	6548	0	0.00
Decorating Payroll/Contract	6560	2,100	1.35
Decorating Supplies	6561	2,000	1.28
Vehicle and Maint. Equipment O & R	6570	2,000	1.28
Misc. Operating & Maint. Expenses	6590	2,000	1.28
Total O & M Expense		171,964	110.23
Taxes and Insurance			
Real Estate Taxes	6710	6,000	3.85
Payroll Taxes	6711	11,033	7.07
Misc. Taxes, Licenses and Permits	6719	7,715	4.95
Property and Liability Insurance	6720	48,250	30.93
Fidelity Bond Insurance	6721	0	0.00
Workers Compensation	6722	11,953	7.66
Health Ins. & Other Employee Benefits	6723	34,506	22.12
Other Insurance	6729	0	0.00
Total Taxes & Insurance		119,457	76.57
Total Operating Expenses		685,411	439.37

Less Manager's Unit	(22,488)	
MHSA OE	13,000	
Operating Expenses with MHSA	675,923	5,199

ATTACHMENT 7
Development Summary - COMM22 Family Apartments

Summary Details

Maximum Multifamily Mortgage Revenue Bonds proposed	Up to \$28,000,000 (construction stage) (reduced to \$3,590,683 at permanent stage)
Maximum Housing Commission Loan	Up to \$500,000 (\$3,846/unit)
Location	South of Commercial Street between 21 st Street and Harrison Avenue
Council District	8
Community Planning Area	Southeastern San Diego (Logan Heights and Sherman Heights)
Developer	BRIDGE Housing Corporation
Project Type	New Construction
Housing Type	Affordable Family Rental Apartments
Estimated Construction Start & Finish	January 2013 start, May 2014 finish
Number of Units	130
Affordable Units	128
Total Site Area	2.46 acres (52.85 dwelling units/acre)
Gross Residential Square Footage	162,056 sq. feet (units & common areas)
Commercial/Retail Space	+14,697 square feet
Residential and Commercial Sq. Ft	176,753 square feet total
Parking garage	117,780 square feet (two levels subterranean parking garage)
Construction Type	Type V
Prevailing Wages	Yes, State Prevailing Wages are applicable
Financing Structure	4% Tax Credits/Multifamily Mortgage Revenue Bonds
Affordability Term	55 years

Unit Affordability & Estimated Rents:

COMM22 Family Housing - 128 restricted units (254 total bedrooms) and 2 managers' units.							
Affordability Mix	One Bedrooms (526 to 602 square feet)		Two Bedrooms (781 to 1,183 square feet)		Three Bedrooms (1,071 to 1,198 square feet)		Total
	Units	Estimated Net Rents	Units	Estimated Net Rents	Units	Estimated Net Rents	
30% AMI (MHSA supportive housing units)	13	\$432 *	0	--	0	--	13
40% AMI units	10	\$583 *	6	\$698 *	0	--	16
50% AMI units	2	\$733 *	44	\$829 *	25	\$919 *	71
60% AMI units	9	\$884 *	12	\$998 *	7	\$1,108 *	28
Managers' units	0	--	0	--	2	Managers	2
Total Units	34	--	62	--	34	--	130

* Estimated net rents after utilities allowance deduction.

Estimated Sources of Financing (from Financial Advisor's Letter [Attachment 9, page 3]):

Construction Financing Sources	Amounts	Permanent Financing Sources	Amounts
Construction Loan (multifamily mortgage revenue bonds)	\$28,000,000	Permanent Loan (multifamily mortgage revenue bonds)	\$3,590,682
Taxable Construction Loan	\$587,386		
City of San Diego (Agency) loan . . .	\$9,255,000	City of San Diego (Agency) loan . . .	\$9,255,000
State MHSA loan	\$1,462,000	State MHSA loan	\$1,462,000
Housing Commission loan.	\$500,000	Housing Commission loan.	\$500,000
State Transit Oriented Development .	\$3,636,109	State Transit Oriented Development .	\$10,786,109
State Infill Infrastructure grant (IIG).	\$7,659,715	State Infill Infrastructure grant (IIG).	\$7,659,715
State Cal Re-Use grant	\$1,287,552	State Cal Re-Use grant	\$1,287,552
SANDAG grant.	\$701,238	SANDAG grant.	\$701,238
Deferred Interest.	\$283,076	Deferred Interest.	\$283,076
General Partner Equity.	\$20,438	General Partner Equity.	\$20,438
4% Tax Credit Equity	\$1,000,000	4% Tax Credit Equity.	\$20,437,626
		Deferred Developer Fee	\$488,818
Total Development Cost (TDC) . . .	\$54,392,514	Total Development Cost (TDC). . .	\$56,472,254
TDC Per Unit (for 130 units).	\$418,404	TDC Per Unit (for 130 units)	\$434,402

Estimated Uses of Financing (Permanent) (from Financial Advisor's Letter [Attachment 9, page 3]):

Permanent Financing Estimated Uses	Construction Amount Breakout	Amounts	Per Unit	Per Square Foot (includes residential and retail/commercial)
Acquisition/Entitlement Costs		\$1,131,212	\$8,702	\$6
Infrastructure Costs		\$6,827,730	\$52,521	\$39
Construction Costs:				
Construction Residential Area (67.4%)	\$24,085,546		\$185,273	\$136
Construction Commercial/Retail (2.6%)	\$946,250		\$7,279	\$ 5
Construction Parking Garage (24.5%)	\$8,745,338		\$67,272	\$ 50
Construction Contingency (5.5%)	\$1,971,128		\$15,163	\$ 11
Total Construction Costs/Contingency		\$35,748,262	\$274,987	\$202
Architect and Engineering		\$2,804,900	\$21,576	\$16
Permits and Fees		\$2,798,164	\$21,524	\$16
Financing and Carry Costs		\$2,421,076	\$18,624	\$14
Indirect Expenses, Other, Syndication		\$1,721,170	\$13,240	\$10
Operating Reserves		\$519,739	\$3,998	\$3
Developer Fee		\$2,500,000	\$19,231	\$14
Total Uses		\$56,472,254	\$434,402	\$319

Estimated Pro Forma Summary (from Financial Advisor's Letter [Attachment 9, page 6]):

Year 1	Amount	Comments
Gross Scheduled Income	\$1,263,297	
Vacancy	(\$63,165)	5%
Effective Gross Income	\$1,200,132	
Operating Expenses	(\$675,923)	\$5,199 per unit per year
Replacement Reserves	(\$78,000)	\$600 per unit per year (required by State HCD)
Ground Lease to SDUSD	(\$212,424)	
Rent Credit for Cleanup	\$106,212	
Loan and Bond Monitoring Fees	(\$11,448)	
Net Operating Income	\$328,549	
Debt Service Coverage - Bonds	(\$285,556)	1.15
Cash Flow	\$42,993	

S:Comm 22 Family HC 110912

ATTACHMENT 8
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 10% 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 issuer (Housing Authority) 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, 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 (City Council). This process does not make the City financially or legally liable for the bonds or for the project.

[Note: It is uncommon for the members of the City Council to be asked to take two actions at this stage in the bond process---one in their capacity as the City Council (TEFRA hearing and resolution) and another as the Housing Authority (bond inducement). Were the issuer (Housing Authority) a more remote entity, the TEFRA hearing and resolution would be the only opportunity for local elected officials to weigh in on the project.]

- 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 Authority 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.

ROSS FINANCIAL

1736 Stockton Street, Suite One • San Francisco, CA 94133 • (415) 912-5612 • FAX (415) 912-5611

November 9, 2012

Mr. Joe Correia
Project Manager
San Diego Housing Commission
Housing Development & Finance Department
1122 Broadway, Suite 300
San Diego, CA 92101

Re: COMM22 Family Housing

Dear Mr. Correia:

The San Diego Housing Commission (the “Commission”) has retained Ross Financial as its financial advisor to analyze the feasibility of issuing bonds for COMM22 Family Housing (the “Project”). The feasibility analysis reviews the following items:

- Project Overview
- Proposed Financing
- Benefits and Risks to the Commission
- Public Purpose
- Recommendations

Ross Financial has based its analysis of the Project’s feasibility on materials provided by Bridge Housing Corporation (“Bridge”), the developer of the project and an affiliate of COMM22 Housing GP, LLC, the administrative general partner of COMM22 Family Housing, L.P., a California limited partnership (the “Borrower”). The materials include: the application to the California Debt Limit Allocation Committee (“CDLAC”), the market study for the Project, the financing commitment from Bank of America, N.A., as Bond Purchaser, and Bridge’s proposed financial schedules for the Project. Ross Financial has not visited the site of the proposed Project.

PROJECT OVERVIEW

Project Summary. The Project is one element of the COMM22 project, a mixed-use, new construction, transit-oriented development that also includes senior rental housing, childcare facilities, office space, live-work lofts and commercial/retail space.

The Project’s 130 family units will be located in two buildings of Type V construction, each containing four levels of housing over a two-level subterranean parking garage. The Project will be built to LEED Silver standards (LEED for Homes – Mid-Rise).

The Project will have a unit mix consisting of 34 one bedroom /one bath units, 52 two-bedroom/1 bath units, 10 two-bedroom/1.5 bath units, 34 three-bedroom/two bath units. Two of the three-bedroom units are for on-site managers. Amenities in each unit include: full kitchen with energy-efficient appliances, coat closets and central heating/air conditioning. Community amenities include shared laundry, secure access, a community room with kitchen and a courtyard for resident use.

The Project is intended mostly for families who earn 30% to 60% of area median income ("AMI"). Thirteen of the units will be MHSA special needs units reserved for the Transition Age Youth population. Apart from the two units to be used by resident managers, the remaining 128 apartment units will be restricted to extremely low, very low income and low income tenants as follows:

- 13 units will be restricted to households with income levels up to 30% of AMI;
- 16 units will be restricted to households with income levels of up to 40% of AMI;
- 71 units will be restricted to households with income levels of up to 50% of AMI; and
- 28 units will be restricted to households with income levels of up to 60% of AMI.

Description of Project Site. The proposed Project is located on a 2.46-acre parcel (the "Site") owned by and to be leased from the San Diego Unified School District, on the southern side of Commercial Street, between 21st and 22nd Streets in the Logan Heights neighborhood of the City of San Diego (the "City"). The Commercial Trolley Station is located immediately to the east of the Project, a bus stop is less than 0.1 mile away and Interstate 5 is 0.2 miles away.

The Project is in walking distance of the East Village neighborhood. According to the market study, the Project is located in reasonable proximity to the following services and employment opportunities: Crosby Food (0.1 miles away); Bay Bridge Park (0.3 miles away); Burbank Elementary School (0.4 miles away); Family Health Center of San Diego (0.5 miles); San Diego City Library (0.6 miles); Sav-On Pharmacy (0.7 miles away), US Post Office (0.7 miles away); San Diego High School (1.5 miles away); Arco Gas Station (0.8 miles); and Memorial Prep Middle School (0.8 miles).

Project Ownership/Borrower/Developer. The ownership entity for the Project will be COMM22 Family Housing, L.P., a California limited partnership consisting of: (1) COMM22 Housing GP, LLC. as Administrative General Partner and (2) an entity to be formed by Bank of America Merrill Lynch as tax credit investor limited partner. Bridge is the Developer of the Project.

Bridge has developed affordable housing in California since 1984. It has developed or rehabilitated 104 projects that contain an aggregate of 12,321 units, including the Torrey Del Mar and Dove Canyon Apartments in San Diego (each financed with tax-exempt bonds).

CDLAC. On July 23, 2012, the Housing Authority filed an application to CDLAC requesting \$28,000,000 of private activity bond allocation for the Project. The award of allocation in that amount was granted at CDLAC's meeting of September 26, 2012. CDLAC requires that the allocation be used by December 26, 2012 (90 days after the award).

In connection with the CDLAC application process, on June 21, 2011, the Housing Authority adopted a resolution of intent to issue bonds for the Project and approved the submittal of an application to CDLAC. Also on July 10, 2012, a TEFRA hearing was held before the City Council at which time the Project was approved for purposes of the Federal Tax Code.

PROPOSED FINANCING

Project Costs and Funding. According to Bridge's projections, total Project costs, including land cost, construction, architect and engineering, interest during construction and all soft costs will approximate \$54,392,514 during construction and \$56,472,254 following construction and lease-up ("at permanent"). The estimated sources of funding for these costs will differ during construction and at permanent, as shown in the following table:

Sources	Construction	Permanent
Tax-Exempt Bond Proceeds	\$28,000,000	\$3,590,682
Taxable Construction Loan	587,386	
GP Equity	20,438	20,438
Low Income Housing Tax Credit Equity	1,000,000	20,437,626
Redevelopment Funds	9,255,000	9,255,000
MHSA Loan	1,462,000	1,462,000
HCD TOD Grant/Loan	3,636,109	10,786,109
HCD IIG Grant	7,659,715	7,659,715
Cal Re-Use Grant	1,287,552	1,287,552
SANDAG Grant	701,238	701,238
Housing Commission Loan	500,000	500,000
Deferred Interest	283,076	283,076
Deferred Developer Fee		488,818
Total	\$54,392,514	\$56,472,254
Uses		
Acquisition/Entitlement Costs	\$1,131,212	\$1,131,212
Infrastructure Costs	6,827,730	6,827,730
Construction-related Costs + Contingency	35,748,262	35,748,262
Architect & Engineering	2,804,900	2,804,900
Permits and Fees	2,798,164	2,798,164
Financing and Carry Costs	2,421,076	2,421,076
Indirect Expenses, Other, Syndication	1,661,170	1,721,170
Operating Reserves	0	519,739
Developer Fee	1,000,000	2,500,000
Total	\$54,392,514	\$56,472,254

Bond Amount and Bank Purchase Approach. The bonds will be issued in one or two series of unrated bonds by the Housing Authority in the anticipated aggregate amount of \$28,000,000 (the “Bonds”). The Bonds will finance a portion of the construction costs of the Project. Following the completion of construction and lease-up, in approximately 24 months after issuance, it is expected that the Bonds will be paid down in substantial part with tax credit equity funds and HCD TOD loan proceeds.

The Bonds will be purchased directly by Bank of America, N.A. (“BANA”). BANA is a “qualified institutional buyer” and “accredited investor” within the meaning of the U.S. securities laws. At closing, it will sign an “Investor’s Letter” certifying, among other things, that it is buying the Bonds for its own account and not for public distribution.

The Bonds will pay interest only during construction. The interest rate on the Bonds will likely be a floating rate, pegged to the 30 Day LIBOR¹ index plus a spread of 1.55%.

At permanent, following the Bond pay down to approximately \$3,590,682 from tax credit equity funds and HCD TOD loan proceeds, the interest rate on the Bonds will convert to a fixed rate to be set before Bond closing by reference to the 30-Year Interest Rate Swap Rate (as provided by the Board of Governors of the Federal Reserve System) plus a spread of 2.47%. Based on the current market, the fixed rate would be approximately 4.90%. The Bonds are expected to mature in approximately 27 years from issuance and will amortize over 25 years.

The Bonds are expected to close in mid-December 2012.

Housing Authority Financial Involvement. The Housing Authority (the “Housing Authority”) is providing subordinate financing in the amount of \$500,000, which will fund a portion of the Project’s construction costs.

The Housing Authority’s subordinate financing will be in the form of a residual receipts loan with the following basic terms:

- Interest Rate: 3% simple interest
- Payments: Residual receipts payments beginning at the end of the first full year after payoff of the deferred developer fee (estimated in the 6th year)
 - |
- Term: 55 years
- Affordability: 100 units @ 50% AMI; 28 units @ 60% AMI

Successor Agency to Redevelopment Agency Financial Involvement. The Successor Agency to the Redevelopment Agency (the “Successor Agency”) also is providing subordinate financing in the amount of up to \$9,255,000. The obligation to provide such

¹ LIBOR refers to the London Inter-Bank Offering Rate. LIBOR is an index off which most banks base their lending rates.

funding is contained in the Owner Participation Agreement, dated June 23, 2011, by and among the Redevelopment Agency of the City of San Diego, the City of San Diego and COMM22 Housing GP, LLC. This subordinate funding will be used to fund a portion of the construction costs, contingent on the receipt of 4% tax credits, the issuance of the Bonds and other sources of financing

The Agency's subordinate financing will be in the form of a residual receipts loan with the following basic terms:

- Interest Rate: 3% simple interest
- Payments: Beginning at issuance of Certificate of Occupancy
- Term: 55 years from the Occupancy Date
- Affordability: 100 units @ 50% AMI; 28 units @ 60% AMI

Affordability Restrictions. The Project will be subject to the following regulatory restrictions and terms:

- Tax-Exempt Bond Regulatory Agreement requirements (including voluntary elections made to CDLAC) for a 55-year term;
- Tax Credit Regulatory Agreement requirements under which all units must be affordable at 60% AMI for a 55-year term to remain eligible for tax credits; and
- Housing Commission's Construction and Permanent Financing Loan Agreement under which the units will be restricted for 55 years.
- Successor Agency's Agreement Affecting Real Property (Including Rental Restrictions) under which the units will be restricted for 55 years.

Project Cash Flow. According to the pro forma cash flows provided by the Borrower, Project income from rents and other income (e.g., laundry, commercial) is estimated at \$1,200,132 for the first year of stabilized occupancy (assuming a 5% vacancy factor). Project net expenses are estimated at \$871,583 (including replacement reserves, annual ground lease payments, ground lease credits for cleanup and bond/loan monitoring fees). As a result, first year net operating income (gross operating revenues less net operating and related expenses) is estimated at \$328,549.






The Borrower has estimated first year debt service on the Bonds (following the construction period) to be approximately \$285,556 (assuming an all-in interest rate of 4.90%). Annual debt service is projected to remain level.

Net operating income is anticipated to cover annual debt service by approximately 1.15 times in the first year of stabilized occupancy, according to the Borrower's pro forma

cash flow. The forecast cash available after expenses (including reserves) and debt service is estimated by the Borrower to be \$42,993.

The Borrower has escalated projected revenues and operating expenses at the rate of 2.5% and 3.5% per year, respectively.

The following table shows the Borrower's projected cash flow for the Project during first five years following stabilized occupancy:

		Year				
Escalation		1	2	3	4	5
2.50%	Gross Scheduled Income	1,263,297	1,294,879	1,327,251	1,360,433	1,394,444
	less vacancy/collection loss	(63,165)	(68,196)	(69,901)	(71,649)	(73,440)
	Total Net Income	1,200,132	1,226,683	1,257,350	1,288,784	1,321,004
3.50%	Expenses					
	Operating Expenses	(675,923)	(696,201)	(717,087)	(738,599)	(760,757)
	Replacement Reserves	(78,000)	(78,000)	(78,000)	(78,000)	(78,000)
	Ground Lease to SDUSD	(212,424)	(213,487)	(214,554)	(215,627)	(216,705)
	Rent Credit for Clean-up	106,212	106,743	107,277	107,813	108,352
	Loan monitoring fee	(6,960)	(6,960)	(6,960)	(6,960)	(6,960)
	Bond monitoring fee	(4,488)	(4,488)	(4,488)	(4,488)	(4,488)
	Total Expenses + Reserves + Ground Lease	(871,583)	(892,393)	(913,812)	(935,862)	(958,559)
	Net Operating Income	328,549	334,290	343,538	352,922	362,445
	Debt Service - Bonds	(285,556)	(285,556)	(285,556)	(285,556)	(285,556)
	Projected Cash Available after Debt Service 	42,993 	48,734 	57,982 	67,366 	76,889
	Debt Service Coverage - Bonds	1.15x	1.17x	1.20x	1.24x	1.27x

I note that operating reserves are capitalized in the development budget.

PUBLIC PURPOSE

The Bonds will result in the long-term affordability of 128 one, two and three-bedroom units in the City of San Diego, of which 13 units will be restricted and affordable to households earning up to 30% of AMI, 16 units will be restricted and affordable to households earning up to 40% of AMI, 71 units will be restricted and affordable to households earning up to 50% of AMI, 28 units will be restricted and affordable to households earning up to 60% AMI and 2 units will be occupied by a resident manager.

The Bond and Tax Credit Regulatory Agreements, the Housing Commission's Construction and Permanent Financing Loan Agreement and Successor Agency's Agreement Affecting Real Property (Including Rental Restrictions) will require that affordability levels be maintained for a period of 55 years.

BENEFITS AND RISKS TO THE HOUSING AUTHORITY

The Bonds provide a vehicle for financing the Project's construction. As proposed, the Bonds will result in the long-term affordability of 128 one, two and three-bedroom units in the City of San Diego with units restricted to income levels described in "Public Purpose" above.

The Bonds do not pose undue financial risk to the Housing Authority. The Bonds are not a direct obligation of the Housing Authority or the City of San Diego. The Bonds will be owned directly by BANA, which has indicated its intention to hold the Bonds for its own account and not for public distribution. More than 85% of the Bonds (\$24,409,318) is expected to be retired shortly after conversion.

If the Housing Authority issues the Bonds, the Commission would receive a fee at Bond closing of approximately \$64,400 equal to 0.23% times the initial par amount of the Bonds (approximately \$28,000,000).

Costs of issuance will be funded by the Borrower from the initial installment of low income housing tax credit amounts, taxable loan proceeds and/or Successor Agency loan proceeds. The Borrower has agreed to indemnify the Housing Authority and Commission as to matters relating to the Bond issue. However, the Borrower is a single purpose entity with no significant assets or sources of income other than the Project and is generally not required to make up any cash flow shortfalls.

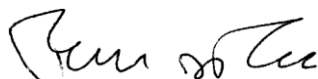
RECOMMENDATIONS

Ross Financial recommends that the Housing Authority proceed with the issuance of the Bonds based on the following findings:

- The Bonds would achieve a public purpose by providing 128 affordable units, with all units restricted to income levels at or below 60% of AMI.
- The Bonds will be purchased at closing by a well-established, highly capitalized bank which is active in affordable housing lending and which will sign an Investor's Letter to the effect that is a "qualified institutional investor". The Bonds will be subject to very restrictive transfer limitations at all times.
- The Borrower has agreed to indemnify the Housing Authority and the Commission regarding matters relating to the financing. Issuance costs will be paid by the Borrower and not from the Bonds.
- Based on estimates provided by the Borrower, as reviewed and confirmed by BANA, there should be sufficient funds to complete the Project and the Project provides adequate cash flow to cover Bond debt service.

If there is any additional information you require concerning the COMM22 Family Housing, Ross Financial will be pleased to provide a supplemental analysis.

Very truly yours,



Peter J. Ross
Principal

ATTACHMENT 10 PREVIOUS RELATED ACTIONS

- December 7, 2007 - City Council Resolution R-303268, which certified the Mitigated Negative Declaration No. 122002.
- December 7, 2007 - City Council Resolution R-303269 which amended the Community Plan.
- December 7, 2007 - City Council Resolution R-303270 which adopted the Vesting Tentative Map (No.415852), adopted Public Right-of Way Vacation No. 415855 and Easement Vacation No.454297.
- December 7, 2007 - City Council Resolution R-303271 which adopted Site Development Permit No.415853, Planned Development Permit No.454025, and Conditional Use Permit No.431367.
- January 8, 2008 - City Council approval of Ordinance Number O-19700 to rezone, from the Southeast San Diego Planned District MF-3000 and I-1 zones into the Commercial CC-3-5 zone, for the 4.58 acres between Commercial and Beardsley Streets, between 21st Street and Harrison Avenue.
- April 15, 2011 - (HCR 11-046) Housing Commission approval of: a) up to \$500,000 residual receipts loan contingent upon the developer receiving all necessary third party funding, before closing as part of the financial authorization for bonds issuance Housing Commission to verify the estimated funding sources are adequate and in place, b) approval of initial steps to issue multifamily housing revenue bonds up to \$30,000,000 including approval of bond counsel and financial advisor, and c) authorizing President and Chief Executive Officer to execute documents.
- June 21, 2011 - (HAR 11-021) Housing Authority approval of official intent to issue bonds to finance COMM22 Family project and authorizing related actions (Resolution No.1525).
- June 21, 2011 - (HAR 11-021) Housing Authority approval authorizing residual receipts loan up to \$00,000 to Bridge SC LLC to facilitate the new construction of COMM22 Family Housing Apartments (Resolution No. 1526).
- June 8, 2012 - (HCR 12-080) Housing Commission recommended City Council approval of TEFRA hearing (one year extension).
- July 10, 2012 - (CCR12-004) City Council approval of issuance of bonds for COMM22 Family Housing project, (Resolution R-307577, July 12, 2012).