



## EXECUTIVE SUMMARY

MEETING DATE: November 20, 2023

HCR23-119

SUBJECT: Final Bond Authorization and Tax Equity and Fiscal Responsibility Act Resolution for 8th Avenue Family Housing

COUNCIL DISTRICT: 3

ORIGINATING DEPARTMENT: Real Estate

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

### REQUESTED ACTION:

Authorize the issuance of tax-exempt Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds, in the aggregate amount not to exceed \$21,600,000 to fund Rise 8th Avenue L.P.'s acquisition with new construction of 8th Avenue Family Housing, a new affordable rental housing development at 3927-37 ½ 8th Avenue, San Diego, in the Hillcrest neighborhood of the Uptown Community Planning Area, which will consist of 79 rental housing units that will remain affordable for 55 years for individuals and families earning 30 percent to 50 percent of the San Diego Area Median Income, and one manager's unit.

### EXECUTIVE SUMMARY OF KEY FACTORS:

- On May 12, 2023, the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) approved taking preliminary steps to authorize the issuance of up to \$24,000,000 of tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of 8<sup>th</sup> Avenue Family Housing.
- On August 23, 2023, the California Debt Limit Allocation Committee (CDLAC) approved a \$21,600,000 tax-exempt bonds allocation, and the California Tax Credit Allocation Committee (CTCAC) approved a 4 percent tax credits allocation.
- 8<sup>th</sup> Avenue Family Housing is a proposed 80-unit, transit-oriented, new construction, affordable rental housing development at 3927-37 ½ 8th Avenue in the Hillcrest neighborhood of San Diego.
- The development will consist of 22 studio units, 17 one-bedroom units, 20 two-bedroom units, 20 three-bedroom units and one one-bedroom manager's unit.
- Site amenities will include an on-site manager, a community room, a laundry room, an outdoor courtyard area, bicycle storage, a solar component, a conference room, and a second community room with an outdoor patio on the eighth floor.
- The site is near bus service, grocery stores, pharmacies, and healthcare options. The site is behind a fast-food, drive-through restaurant, auto body repair shop, and a San Diego Fire-Rescue Station. University Avenue is 200 feet south of the property.
- In March 2023, Overland, Pacific & Cutler (OPC) prepared a relocation plan, which is now in effect, in connection with the proposed acquisition of the Friendship Hotel at 3927 8th Avenue and the adjacent site at 3937 8th Avenue, San Diego, CA 92103. The property is currently improved with one building, consisting of 45 single-room occupancy (SRO) housing units. The site is currently vacant.
- 8<sup>th</sup> Avenue Family Housing has an estimated total development cost of \$42,317,639 (\$528,970/unit).



## REPORT

**DATE ISSUED:** November 13, 2023

**REPORT NO:** HCR23-119

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of November 20, 2023

**SUBJECT:** Final Bond Authorization and Tax Equity and Fiscal Responsibility Act Resolution  
for 8<sup>th</sup> Avenue Family Housing

**COUNCIL DISTRICT:** 3

### **REQUESTED ACTION**

Authorize the issuance of tax-exempt Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds, in the aggregate amount not to exceed \$21,600,000 to fund Rise 8<sup>th</sup> Avenue L.P.'s acquisition with new construction of 8<sup>th</sup> Avenue Family Housing, a new affordable rental housing development at 3927-37 ½ 8<sup>th</sup> Avenue, San Diego, in the Hillcrest neighborhood of the Uptown Community Planning Area, which will consist of 79 rental housing units that will remain affordable for 55 years for individuals and families earning 30 percent to 50 percent of the San Diego Area Median Income, and one manager's unit.

### **STAFF RECOMMENDATION**

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) take the following actions and recommend that the Housing Authority of the City of San Diego (Housing Authority) and the City Council of the City of San Diego (City Council) take the following actions:

#### **Housing Authority**

- 1) Authorize the issuance of tax-exempt Multifamily Housing Revenue Bonds in an aggregate amount not to exceed \$21,600,000 to fund Rise 8<sup>th</sup> Avenue L.P.'s acquisition with new construction of 8<sup>th</sup> Avenue Family Housing, a new affordable rental housing development at 3927-37 ½ 8<sup>th</sup> Avenue, San Diego, in the Hillcrest neighborhood of the Uptown Community Planning Area, which will consist of 79 rental housing units that will remain affordable for 55 years for individuals and families earning 30 percent to 50 percent of the San Diego Area Median Income (AMI), and one manager's unit.
- 2) Authorize the Housing Commission President and Chief Executive Officer (President and CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by the General Counsel of the Housing Authority and of the Housing Commission and the Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of the General Counsel and/or the Bond Counsel.

**City Council**

Adopt a Tax Equity and Fiscal Responsibility Act resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$21,600,000 to facilitate the development of 8<sup>th</sup> Avenue Family Housing, a new affordable rental housing development at 3927-37 ½ 8<sup>th</sup> Avenue, San Diego, in the Hillcrest neighborhood of the Uptown Community Planning Area, which will consist of 79 rental housing units that will remain affordable for 55 years for individuals and families earning 30 percent to 50 percent of the San Diego Area Median Income (AMI), and one manager's unit.

**SUMMARY**

A Development Summary is as follows:

**Table 1 – Development Details**

Address	3927-37 ½ 8 <sup>th</sup> Avenue
Council District	3
Community Plan Area	Uptown Community Planning Area
Developer	Rise Urban Partners LLC
Development Type	Acquisition and New Construction
Construction Type	Types IA (levels 1-3) and IIIA (levels 4-8), one 8-story building
Parking Type	Four surface parking spaces.
Local Amenities	<u>Grocery</u> : Whole Foods Market, 711 University Ave (0.1 mile), Trader Joe's Market, 10902 University Ave (0.4 mile), Ralph's Supermarket, 1020 University Ave (0.3 mile). <u>Schools</u> : Florence Elementary School, 3914 First Ave (0.5 mile), Roosevelt Middle School, 3366 Park Blvd. (1.3 miles), Alba Community Day High School, 4041 Oregon St. (1.6 miles).
Mass Transit	Bus stops at 8 <sup>th</sup> & University Ave (travel to the east) and 9 <sup>th</sup> & University Ave (travel to the west) Mission Valley Center Trolley Station (2.8 miles)
Housing Type	Affordable for families with low income, including large families
Accessibility	Wheelchair accessibility in 15 percent of the units, and 10 percent of the units will be accessible to residents with visual and/or hearing impairment.
Lot Size	0.28 Acres (11,991 square feet) consisting of two adjacent parcels
Units	79 affordable units and one unrestricted manager's unit
Density	286 dwelling units per acre (80 units ÷ 0.28 acres)
Unit Mix	22 studio units, 17 one-bedroom units, 20 two-bedroom units, 20 three-bedroom units, and 1 one-bedroom manager's unit
Gross Building Area	78,292 square feet
Net Rentable Area	57,679 square feet
Affordable Units in Service by Council District	Council District 3 includes 8,344 affordable rental housing units currently in service which represents 32.5 percent of the 25,597 affordable rental housing units in service citywide.

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### The Development

8<sup>th</sup> Avenue Family Housing is a proposed 80-unit, transit-oriented, new construction, affordable rental housing development at 3927-37 ½ 8<sup>th</sup> Avenue in the Hillcrest neighborhood of San Diego in Council District 3. A site map is at Attachment 1. The 79 affordable apartments will be reserved as general affordable housing units for low-income, including large families, consistent with California Tax Credit Allocation Committee (CTCAC) definitions and regulations. There will be one manager's unit.

In addition to the 8 affordable units required by the Complete Communities Housing Solutions Regulations, the developer voluntarily elected to restrict the occupancy and rents of an additional 71 dwelling units, so that such excess affordable units may fulfill the density bonus obligations of other offsite residential developments. A central feature of the development's financing involves a partnership between Rise Urban Partners, LLC (Rise) and two market developers, Floit Properties, Inc. (Floit) and Toll Brothers (Toll). Under the agreement between the parties, Floit and Toll are providing a land donation and financial contribution to the development through National Housing Corporation, a San Marcos-based affordable housing nonprofit.

In exchange for the land donation and financial contribution, 59 of the proposed excess affordable housing units at 8th Avenue Family Housing will be constructed to satisfy the City of San Diego density bonus requirements for two market-rate developments: 1) Toll (The Lindley at 445 W. Ash Street) and 2) Floit (Park Summit at 3333 5th Avenue). The remaining 12 excess affordable units may fulfill the density bonus obligations of other offsite residential developments. The owner of each development project utilizing the excess affordable units to fulfill their density bonus obligations shall be required to execute a recorded addendum against the real property.

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

8th Avenue Family Housing will include four surface (non-assigned) parking spaces for the proposed 80 new units. The developer explains that the site is in a transit priority area with nearby public transit options (bus stops at 8th and University for travel to the east and 9th and University for travel to the west), as well as walkability to daily needs such as grocery stores, drug stores, and other retail services nearby.

### The Property

The 8th Avenue Family Housing site is on the east side of 8th Avenue, just north of University Avenue and one block west of Highway 163 in the Hillcrest neighborhood of the Uptown Community Planning Area in Central San Diego. The site is near bus service, grocery stores, pharmacies, and healthcare options. The site is behind a fast-food, drive-through restaurant, auto

body repair shop, and a San Diego Fire-Rescue Station. University Avenue is 200 feet south of the property. The surrounding properties along the north, east and west are multifamily and mixed-use retail/multifamily. The immediate surroundings are: a) to the north – multifamily housing; Washington Street; and offices; b) to the south – fast-food restaurant; University Avenue; retail; bank; residential; c) to the east – San Diego Fire-Rescue Station; 9th Avenue; Highway 163; and d) to the west – multifamily housing retail mixed uses. The property's previous owner/seller was Friendship Hotel LLC and Dan Floit. The subject property is a multifamily redevelopment site consisting of two adjoining parcels totaling 11,991 square feet of land area. The existing improvements are at 3927 8th Avenue on a 7,993-square-foot lot with a two-story, single-room occupancy hotel built prior to 1930 and renovated in 2015. The improvements at 3937 8th Avenue are on a 3,998 square-foot lot consisting of two residences built in 1957. Rise 8th Ave, L.P. plans to raze the existing improvements and construct an eight-story affordable multifamily housing development with 79 affordable units and one manager's unit.

#### Services

Resident services will meet the California Debt Limit Allocation Committee (CDLAC) and CTCAC requirements and are anticipated to be child and adult education, health, skill-building, and after-school classes. Pacific Southwest Community Development Corporation, an experienced third-party provider/coordinator, will coordinate and lead approximately 10 to 12 hours a week of adult education, skill building, and after school program classes.

#### Prevailing Wages

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

#### Appraisal

On February 15, 2023, Integra Realty Resources appraised the properties, as is, at \$5,400,000.

#### Relocation

In March 2023, Overland, Pacific & Cutler (OPC) prepared a relocation plan, which is now in effect, in connection with the proposed acquisition of the Friendship Hotel at 3927 8th Avenue and the adjacent site at 3937 8th Avenue, San Diego, CA 92103. The property is currently improved with one building, consisting of 45 single-room occupancy (SRO) housing units. The adjacent site consists of a two-bedroom house and a one-bedroom unit above a detached garage. All three sites are currently vacant. The Friendship Hotel was functioning similarly to an SRO hotel with both short-term and long-term stays but was not on the Housing Commission's SRO Hotel List as the property was originally a hotel, but the owner began operating as an SRO, providing the units as a primary residence to tenants and no longer paying Transit Occupancy Taxes. Beginning in April 2022, the current owner stopped leasing units at both sites upon tenants vacating. After receiving code violations, insurance cancellations, and costly repairs, the owner began to offer \$3,000 payments in August 2022 to the 24 tenants remaining at the Friendship Hotel to vacate their units. Shortly thereafter, Housing Commission staff informed the owner about the applicability of SRO regulations, which require the provision of relocation assistance to displaced tenants. All former occupants of the 45-unit SRO building were reviewed for relocation assistance eligibility under the

City of San Diego's SRO Hotel Regulations. To date, except for two former tenants, all eligible tenants have received relocation benefits that comply with the City of San Diego SRO Hotel Regulations, and the property is vacant. Multiple attempts to locate the final two former tenants have been made via a public noticing process that lists the tenant names and the amount of relocation benefit to which they are entitled. Any unclaimed relocation benefits, as required by the City of San Diego SRO Hotel Regulations, have been deposited into the SRO Hotel Replacement Fund. In accordance with applicable relocation law, all eligible previous tenants will be issued a right of first refusal notice to a comparable affordable dwelling unit available in the new development. The developer's pro forma budgets \$402,4904 for relocation costs.

#### Accessibility

CTCAC requires wheelchair accessibility in 15 percent of the units, and an additional 10 percent of the units are required to have communication features for residents with visual and/or hearing impairment. The same units can satisfy both accessibility requirements. The 8th Avenue Family Housing units will be accessible in accordance with the Americans with Disabilities Act.

#### Project Sustainability

8th Avenue Family Housing will be constructed in conformance with CTCAC minimum energy efficiency standards and will be an all-electric building. The development's features will include all-electric, Energy Star-rated efficient appliances. The designed solar component will accommodate a portion of the common area's electrical load. Water efficiency and conservation have been incorporated into the development's design, including low-flow fixtures and drought-resistant landscaping. The development will be built in accordance with CTCAC Sustainable Building Methods.

#### Development Team

The developer, Rise Urban Partners, LLC, is a joint venture between Trestle Development LLC and Rob Morgan. The developer has previously used a Housing Commission loan and/or tax-exempt bonds to develop affordable housing. The developer is in full compliance on its previous Housing Commission loan. Trestle and Rob Morgan have, independently, developed over 550 housing units over the past nine years. Rise Urban Partners, LLC specializes in the development and financing of multifamily affordable housing, including but not limited to the use of low-income housing tax credits. Housing Commission staff has determined that the developer has the capacity to successfully complete the proposed development.

Rise 8th Ave, L.P. will own and operate 8th Avenue Family Housing. The development will be built by a to-be-determined general contractor. Studio E is providing architectural services. Red Stone Equity Partners has been engaged to serve as the tax credit syndicator. The 8th Avenue Family Housing's limited partnership is Rise 8th Avenue L.P. An Organization Chart is at Attachment 2.

**Table 2 - Development Team Summary**

<b>ROLE</b>	<b>FIRM/CONTACT</b>
Developer	Rise Urban Partners LLC
Owner/Borrower	Rise 8 <sup>th</sup> Ave L.P.
Managing General Partner	National Housing MGP, LLC

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Administrative General Partner	Rise 8 <sup>th</sup> Ave LLC
Tax Credit Investor Limited Partner	Redstone Equity Partners
Architect	Studio E Architects
General Contractor	To be determined
Property Management	Aperto Property Management (Aperto)
Relocation Consultant	Overland, Pacific & Cutler
Construction and Permanent Lender	Citibank

Property Management

Aperto Property Management will be 8th Avenue Family Housing's manager. Based in Irvine, California, Aperto is highly experienced. It manages 165 properties throughout California, including three properties in San Diego County, plus additional properties in Arizona and Oregon.

**FINANCING STRUCTURE**

8th Avenue Family Housing has an estimated total development cost of \$42,317,639 (\$528,970/unit) with financing from a combination of sources, as described in Table 3, including tax-exempt Multifamily Housing Revenue Bonds, 4 percent low-income housing tax credits, deferred developer fee, an \$12,600,000 subordinate loan from the nonprofit National Housing Corporation, and donated land. The developer's pro forma is included as Attachment 3 and summarized below. No Housing Commission cash loan funds are proposed for 8th Avenue Family Housing.

**Table 3 – Estimated Sources and Uses of Financing**

Financing Sources	Amount	Financing Uses	Amounts	Per Unit
Bond Financed Permanent Loan	\$ 7,668,725	Acquisition	\$30,000	\$375
National Housing Corporation (NHC) Subordinate Loan	12,600,000	Construction cost \$26,987,388 Contingency cost <u>+2,024,054</u> Total 29,011,442	<u>29,011,442</u>	362,643
Deferred Developer's Fee	3,754,038	Financing Costs	2,880,423	36,005
Accrued Interest on NHC Soft Debt	635,000	Permits & Fees	1,170,249	14,628
4 Percent Tax Credit Equity	17,659,876	Other Soft Costs	1,620,664	20,258
		Soft Cost Contingency	195,000	2,438
		Architect & Engineering	1,459,630	18,245
		Reserves	280,000	3,500
		Relocation	402,490	5,031
		Developer Fee	5,267,741	65,847
<b>Total Sources</b>	<b>\$42,317,639</b>	<b>Total Uses</b>	<b>\$42,317,639</b>	<b>\$528,970</b>

Developer Fee

\$5,267,741 - gross developer's fee

-3,754,038 - minus deferred developer's fee

\$1,513,703 - net cash developer's fee

On April 25, 2017, the Housing Authority approved the “Request for Approval of Updated Developer Fees” (Report No. HAR17-011; Resolution No. HA-1727). That report approved certain developer fee guidelines for multifamily loans and bond issuances. Attachment 1 to that report stated: “Developer Fee [for] 4% tax credits, in project costs: 15% eligible basis....” The proposed developer’s fee complies with the HAR 17-011 “Request for Approval of Updated Developer Fees” guidelines approved by the Housing Authority on April 25, 2017.

#### Development Cost Key Performance Indicators

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

**Table 4 – Key Performance Indicators**

Total Development Cost Per Unit	$42,317,639 \div 80 \text{ units} =$	\$528,970
Housing Commission Subsidy Per Unit	--	\$0
Acquisition Cost Per Unit	$\$30,000 \div 80 \text{ units} =$	\$375
Gross Building Square Foot Hard Cost	$\$29,011,442 \div 78,292 \text{ sq. ft.} =$	\$371
Net Rentable Square Foot Hard Cost	$\$29,011,442 \div 57,679 \text{ sq. ft.} =$	\$503

#### Project Comparison Chart

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

**Table 5 – Comparable Development Projects**

New Construction Project Name	Year	Units	Total Development Cost	Cost Per Unit	HC Subsidy Per Unit	Gross Hard Cost Per Sq. Ft.
<b>Proposed Subject – 8th Ave Family Housing</b>	<b>2023</b>	<b>80</b>	<b>\$42,317,639 (without prevailing wage)</b>	<b>\$528,970</b>	<b>\$0</b>	<b>\$371</b>
Modica	2023	94	\$58,165,819 (without prevailing wage)	\$618,785	\$31,915	\$378
Serenade on 43 <sup>rd</sup>	2023	65	\$33,784,749 (with prevailing wage)	\$519,765	\$30,769	\$330

## **TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS**

### **Proposed Housing Bond Financing**

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. On May 12, 2023, prior to submitting applications to CDLAC, the proposed development was presented to the Housing Commission Board. A bond inducement resolution was obtained prior to the application submittal to CDLAC. On May 23, 2023, an application was submitted to CDLAC for a tax-exempt bonds allocation of up to \$24,000,000. On August 23, 2023, CDLAC approved a \$21,600,000 tax-exempt bonds allocation, and CTCAC approved an allocation of 4 percent tax credits. The developer proposes that the bonds be issued through a tax-exempt private placement bonds issuance. The bonds will meet all requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and will fully comply with the City of San Diego's (City) ordinance on bond disclosure.

The financing amount that will ultimately be set will be based upon development costs, revenues, and interest rates prevailing at the time of the bond issuance. The financing proceeds will be used for both construction financing and permanent financing. Attachment 4 provides a general description of the Multifamily Housing Revenue Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings.

### **Public Disclosure and Bond Authorization**

The tax-exempt debt, in the form of the bond/note (bond), will be sold through a private placement purchased directly by Citibank. Citibank is a "qualified institutional buyer" within the meaning of the U.S. securities laws. Under the direct purchase structure for the bond, Citibank will make a tax-exempt loan to the Housing Authority pursuant to the terms of a Funding Loan Agreement among Citibank, the Housing Authority, and US Bank as the Fiscal Agent. The loan made by Citibank to the Housing Authority (Funding Loan) will be evidenced by the bond, which will obligate the Housing Authority to pay Citibank the amount it receives from the Borrower, as described below.

Under the direct purchase structure, the bond will be issued under a Trust Indenture between the Housing Authority and US Bank as the Trustee (which will be the same institution as the Fiscal Agent for the bond). The bond will be payable from residual project revenues after payment of the bond. The Housing Authority and the Borrower will enter into a Borrower Loan Agreement, pursuant to which the proceeds of the Funding Loan will be advanced to the Borrower. In return, the Borrower agrees to pay the Fiscal Agent amounts sufficient to make payments on the bond. The Housing Authority's obligation to make payments on the bond is limited to amounts the Fiscal Agent and Trustee receive from the Borrower under the Borrower Loan Agreement with respect to the bond, and no other funds of the Housing Authority are pledged to make payments on the bond.

The transfer of the bond to any subsequent purchaser will comply with Housing Commission policy number PO300.301. Moreover, any subsequent bond holder would be required to represent to the Housing Authority that it is a qualified institutional buyer or accredited investor who is

buying the bond for investment purposes and not for resale and has made due investigation of any material information necessary in connection with the purchase of the bond.

The following documents will be executed on behalf of the Housing Authority with respect to the bond: Funding Loan Agreement, Borrower Loan Agreement, Assignment of Deed of Trust, Regulatory Agreement, and other ancillary loan documents. At the time of docketing, 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.

The bond will be issued pursuant to the Funding Loan Agreement. Based upon instructions contained in the Funding Loan Agreement and the Borrower Loan Agreement, Citibank will disburse bond proceeds for eligible costs and will, pursuant to an assignment from the Housing Authority, receive payments from the Borrower. The Borrower Loan Agreement sets out the terms of the repayment and the security for the loan made by the Housing Authority to the Borrower, and the Housing Authority assigns its rights to receive repayments under the loan agreement to Citibank. The Regulatory Agreement will also ensure that the project complies with all applicable federal and state laws. An Assignment of Deed of Trust and other Loan Documents, which assigns the Housing Authority's rights and responsibilities as the issuer to Citibank, is signed by the Housing Authority for the benefit of Citibank. Rights and responsibilities that are assigned to Citibank include the right to collect and enforce the collection of loan payments, monitor project construction and related budgets, and enforce insurance and other requirements. These rights will be used by Citibank to protect its financial interests as the holder of the bond.

### **Financial Advisor's Recommendation**

Quint & Thimmig LLP is the Bond Counsel. Ross Financial Inc. is the Bond Financial Advisor. The Financial Advisor and Bond Counsel were selected in accordance with the Housing Commission's Bond Program Policy. 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 bond issuance. The Financial Advisor's analysis and recommendation are included as Attachment 5.

### **AFFORDABLE HOUSING IMPACT**

#### **Affordability**

The 8th Avenue Family Housing development will be subject to applicable tax credit and bond regulatory agreements, which will restrict affordability of the 79 units for 55 years. The rent and occupancy restrictions required by the CTCAC will apply.

**Table 6 – Affordability & Monthly Estimated Rent Table**

<b>Unit Type</b>	<b>AMI</b>	<b>Units</b>	<b>CTCAC Gross Rents</b>
Studio	30% (\$28,950/year for one-person household)	2	\$683
Studio	50% (\$48,250/year for one-person household)	20	\$1,138
<b>Subtotal Studio Units</b>	<b>--</b>	<b>22</b>	<b>--</b>

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One bedroom	30% (\$33,100/year for two-person household)	2	\$732
One bedroom	50% (\$55,150/year for two-person household)	15	\$1,220
<b>Subtotal One Bedroom Units</b>	--	<b>17</b>	--
Two bedrooms	30% (\$37,250/year for three-person household)	2	\$878
Two bedrooms	50% (\$62,050/year for three-person household)	18	\$1,463
<b>Subtotal Two Bedroom Units</b>	--	<b>20</b>	--
Three bedrooms	30% (\$41,350/year for four-person household)	2	\$1,075
Three bedrooms	50% (\$66,900/year for four-person household)	18	\$1,691
<b>Subtotal Three Bedroom Units</b>	--	<b>20</b>	--
Manager's one bedroom unit	--	<b>1</b>	
<b>Total Units</b>	--	<b>80</b>	--

### **FISCAL CONSIDERATIONS**

The funding sources and uses approved by this proposed action are included in the Fiscal Year (FY) 2024 Housing Commission Budget.

Funding sources approved by this action will be as follows:

Bond Issuer Fee:  $(\$21,600,000 \times 0.0025) = \$54,000$

Total Funding Sources – up to \$54,000

Funding uses approved by this action:

Administrative costs - \$54,000

Total Funding Uses - up to \$54,000

The bond would not constitute a debt of the City of San Diego (City). If the bond is issued for the development, the bond will not financially obligate the City, the Housing Authority, or the Housing Commission because security for the repayment of the bond will be limited to specific private revenue sources of the development. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bond. The developer is responsible for the payment of all costs under the financing, including the Housing Commission annual administrative fee, as well as Housing Commission, Bond Counsel, and Financial Advisor fees.

### **Estimated Development Schedule**

The estimated development timeline is as follows.

<b>Milestones</b>	<b>Estimated Dates</b>
<ul style="list-style-type: none"><li>• Housing Authority final bond authorization</li><li>• Estimated bond issuance and escrow/loan closing</li><li>• Estimated start of construction work</li><li>• Estimated completion of construction work</li></ul>	<ul style="list-style-type: none"><li>• December 12, 2023</li><li>• January 2024</li><li>• January 2024</li><li>• August 2025</li></ul>

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**EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE**

Rise Urban Partners LLC reported that it is committed to advancing equity and inclusion throughout the development and operation of the project. Rise Urban Partners LLC demonstrates a commitment to this effort by planning to use the Global Diversity, Equity & Inclusion Benchmarks assessment checklist to assess current racial equity and inclusion (REI) efforts and ensure that REI policies, initiatives, and practices are intentionally embedded in all that they do.

**HOUSING COMMISSION STRATEGIC PLAN**

This item relates to Strategic Priority Area No. 1 in the Housing Commission Strategic Plan for Fiscal Year (FY) 2022-2024: Increasing and Preserving Housing Solutions.

**COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS**

On September 5, 2023, the developer presented the proposed development, as an information item, to the Uptown Community Planning Group.

**KEY STAKEHOLDERS and PROJECTED IMPACTS**

8th Avenue Family Housing is anticipated to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and create 79 new affordable rental homes for low-income individuals and families.

**STATEMENT FOR PUBLIC DISCLOSURE**

The developer's Disclosure Statement is at Attachment 6.

**ENVIRONMENTAL REVIEW**

The proposed activities to authorize the issuance of tax-exempt Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds to fund Rise 8th Avenue L.P.'s acquisition with new construction of 8th Avenue Family Housing have been reviewed for consistency with and are covered in the Final Program Environmental Impact Report (PEIR) for Complete Communities: Housing Solutions and Mobility Choices (SCH No. 2019060003) which was certified by City Council Resolution No. R-313279 on November 17, 2020. This activity is a subsequent discretionary action and is not considered a separate project for the purposes of CEQA review pursuant to CEQA Guidelines Sections 15378(c) and 15060(c)(3). Pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162, there is no change in circumstance, additional information, or project changes to warrant additional environmental review for this action. Processing under the National Environmental Policy Act (NEPA) is not required because no federal funds are included in these activities.

Respectfully submitted,

*Jennifer Kreutter*

Jennifer Kreutter  
Vice President, Multifamily Housing Finance  
Real Estate Division

Approved by,

*Jeff Davis*

Jeff Davis  
Interim President & Chief Executive Officer  
San Diego Housing Commission

November 14, 2023

Final Bond Authorization and Tax Equity and Fiscal Responsibility Act Resolution for 8th Avenue Family Housing

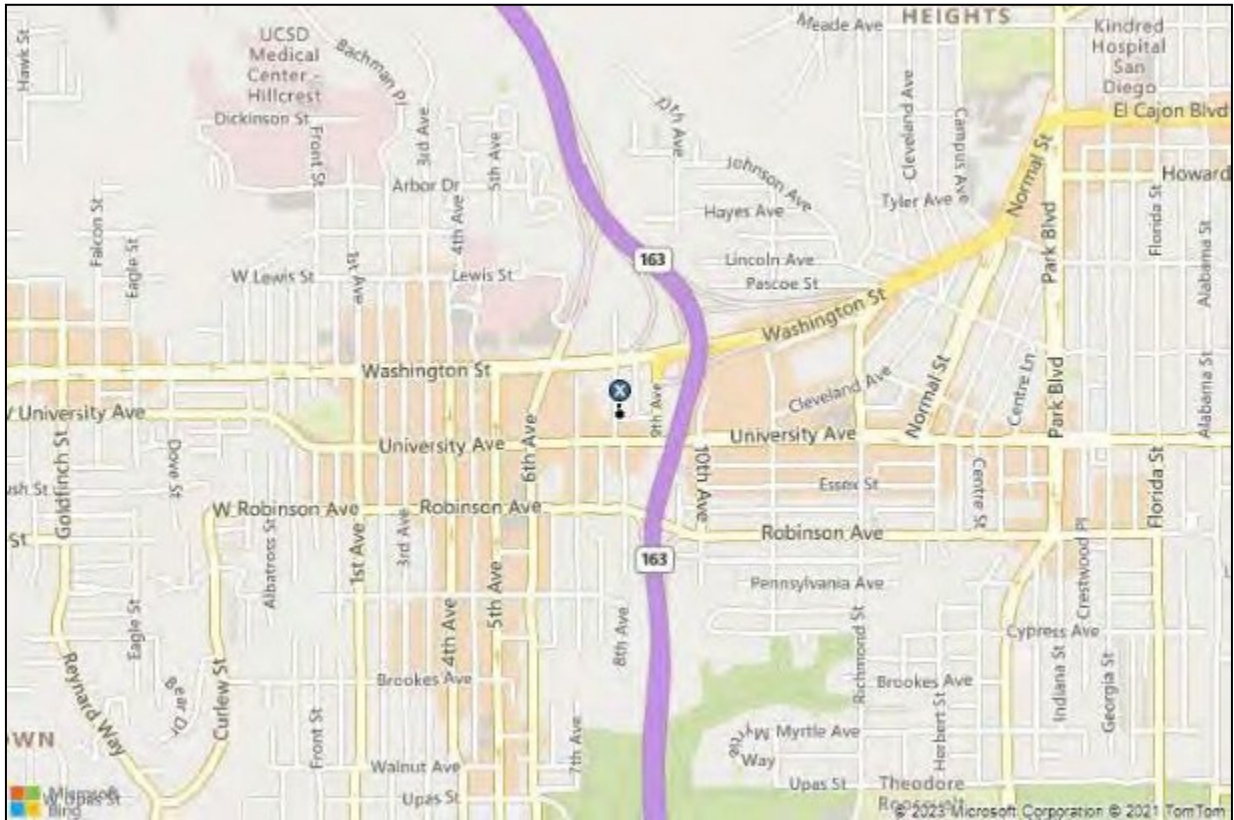
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Attachments:

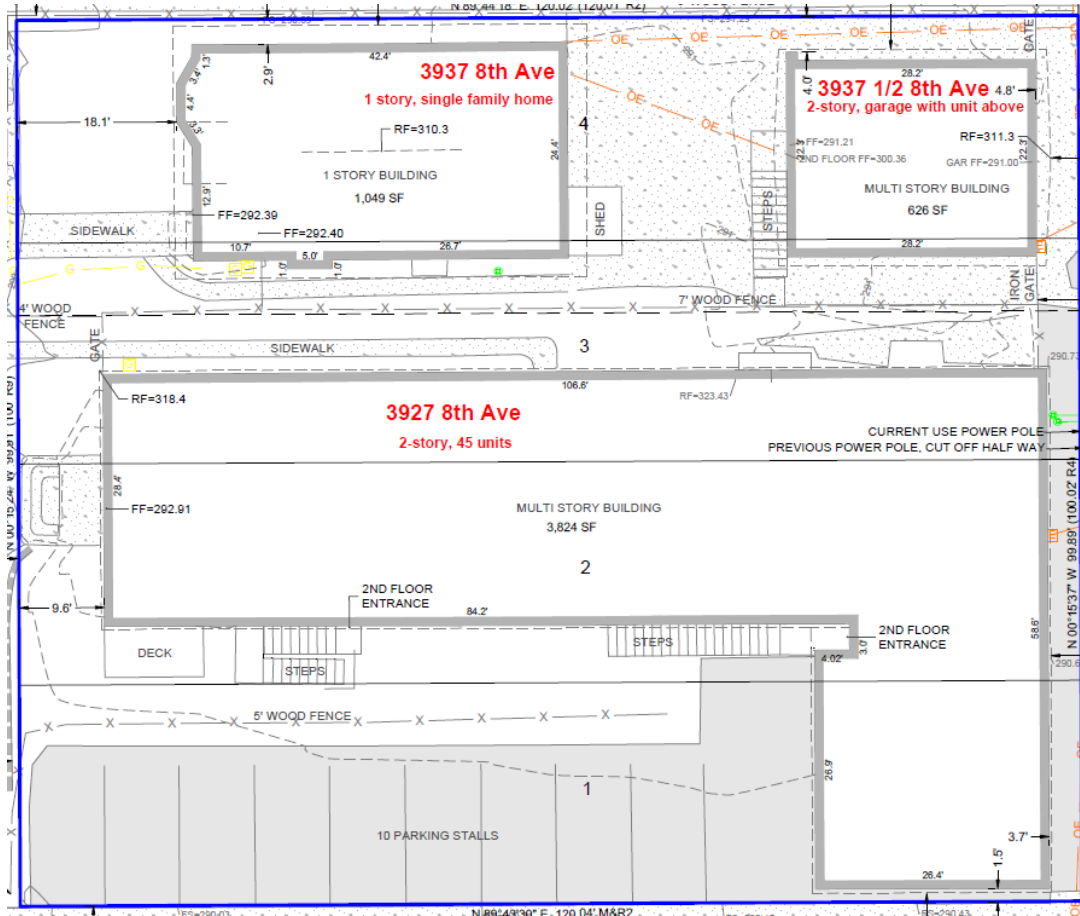
- 1) Site Map
- 2) Organization Chart
- 3) Developer's Project Pro Forma
- 4) Multifamily Housing Revenue Bond Program
- 5) Financial Advisor's Analysis
- 6) Developer's Disclosure Statements

Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101. Docket materials are also available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at [www.sdhc.org](http://www.sdhc.org).

## ATTACHMENT 1 SITE MAP

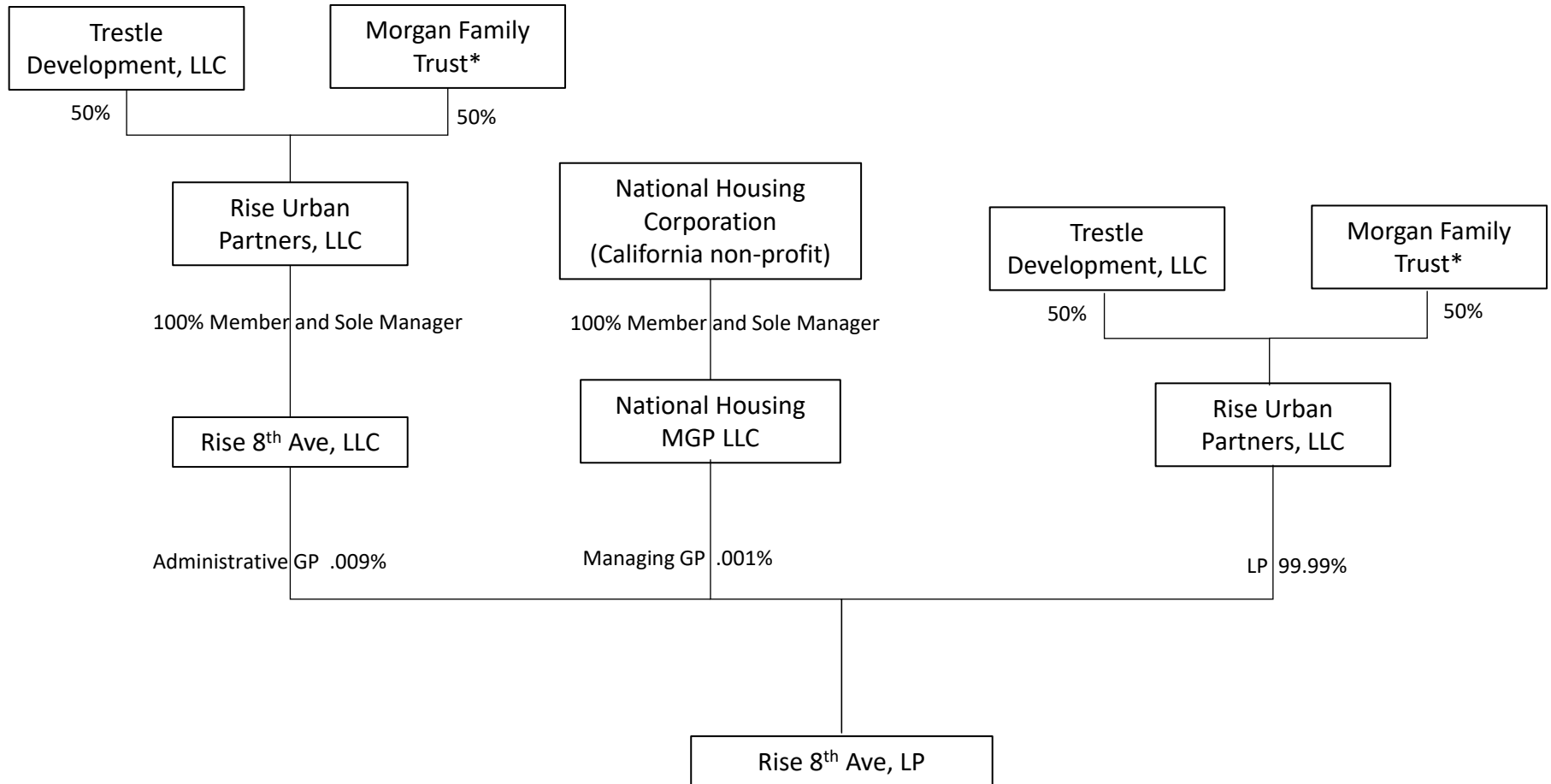


# ATTACHMENT 1B – SITE MAP



## ATTACHMENT 2 - ORGANIZATION CHART

### Org Chart Rise 8<sup>th</sup> Ave, LP



\*Morgan Family Trust is 50% owner, but Robert Morgan and David Allen are managers



## 8th Ave Family

## COST CODE ACQUISITION COSTS

16105	LAND
16110	BUILDINGS
16115	BROKER FEES
16120	LAND CARRY COST
16125	INFRASTRUCTURE / PARKING
	RESERVED

Unit Cost	Cost Driver	Total	Per Unit	% of Total
\$30,000	total	30,000	\$375	0.1%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	Total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
TOTAL ACQUISITION & CLOSING COSTS		30,000	\$375	0.07%

Acq.	Rehab/New	Ineligible
\$0	\$0	\$30,000
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$30,000

## 17100 CONSTRUCTION COSTS

17105	DIRECT COSTS - RESIDENTIAL
17110	DIRECT COSTS - COMMERCIAL
17115	GENERAL CONDITIONS
17120	GL INSURANCE
17125	GC FEE
17130	GC CONTINGENCY
17135	COMPLETION BOND

\$22,253,565	Per GSF	22,253,565	\$278,170	52.6%
-	total	-	\$0	0.0%
\$1,536,440	total	1,536,440	\$19,206	3.6%
\$25,000	total	25,000	\$313	0.1%
4.50%	total	1,147,453	\$14,343	2.7%
3.25%	total	723,241	\$9,041	1.7%
1.10%	total	293,111	\$3,664	0.7%
	SUBTOTAL	25,978,810	\$324,735	61.4%
3.00%	COST INFLATION	667,607	\$8,345	1.6%
	TOTAL GMAX	26,646,417	\$333,080	63.0%

\$0	\$21,853,565	\$400,000
\$0	\$0	\$0
\$0	\$1,536,440	\$0
\$0	\$25,000	\$0
\$0	\$1,147,453	\$0
\$0	\$723,241	\$0
\$0	\$293,111	\$0
\$0	\$667,607	\$0

## 17200 OWNER MANAGED HARD COSTS

17205	COMMERCIAL TENANT IMPROVEMENTS
17210	CONSTRUCTION ACCESS AGREEMENT
17215	DEMOLITION
17220	DRY UTILITY WORK
17225	ENVIRONMENTAL REMEDIATION
17230	EV CHARGING STATIONS
17235	RAIN PROTECTION
17240	SECURITY
17245	SIGNAGE
17250	SOLAR
17255	WATER SUBMETERS

\$100	per com. nrsvf	-	\$0	0.0%
\$20,000	total	20,000	\$250	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$320,971	OTHER OWNER MANAGED HARD COSTS	320,971	\$4,012	0.8%
\$320,971	TOTAL OWNER MANAGED HARD COSTS	340,971	\$4,262	0.8%
7.50%	OWNER CONTINGENCY	2,024,054	\$25,301	4.8%
\$370.55	of hard costs	29,011,442	\$362,643	68.56%

\$0	\$0	\$0
\$0	\$20,000	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$320,971	\$0

\$0	\$2,024,054	\$0
\$0	\$28,611,442	\$400,000

## PERMITS &amp; FEES

18105	CITY PERMIT FEES
18110	DEVELOPMENT IMPACT FEES
18115	AFFORDABLE HOUSING IMPACT FEE
18120	WATER CAPACITY
18125	SEWER CAPACITY
18130	SCHOOL FEES
18135	TRANSPORTATION FEE
18140	HOUSING AUTHORITY PROCESSING FEE
18145	DRY UTILITY FEES
	RESERVED
	RESERVED
	OTHER PERMITS & FEES
18195	CONTINGENCY

\$250,000	total	250,000	\$3,125	0.6%
\$6,291	Fee Calc	6,291	\$79	0.0%
\$0	Fee Calc	-	\$0	0.0%
\$202,919	Fee Calc	202,919	\$2,536	0.5%
\$241,207	Fee Calc	241,207	\$3,015	0.6%
\$375,019	Fee Calc	375,019	\$4,688	0.9%
\$0	Fee Calc	-	\$0	0.0%
\$2,000	Fee Calc	2,000	\$25	0.0%
\$10,000	Fee Calc	10,000	\$125	0.0%
\$0	Fee Calc	-	\$0	0.0%
\$0	Fee Calc	-	\$0	0.0%
\$0	Fee Calc	-	\$0	0.0%
\$0	Fee Calc	-	\$0	0.0%
\$82,812	Fee Calc	82,812	\$1,035	0.2%
		1,170,249	\$14,628	2.77%

\$0	\$250,000	\$0
\$0	\$6,291	\$0
\$0	\$0	\$0
\$0	\$202,919	\$0
\$0	\$241,207	\$0
\$0	\$375,019	\$0
\$0	\$0	\$0
\$0	\$2,000	\$0
\$0	\$10,000	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$82,812	\$0
\$0	\$1,170,249	\$0

## 18200 ARCHITECTURE &amp; ENGINEERING

18205	A&E [ARCHITECT/STRUCT]
18210	CIVIL ENGINEERING
18215	LANDSCAPE
18220	INTERIOR DESIGN
18225	DRY UTILITY DESIGN
18230	ACCESSIBILITY CONSULTANT
18235	BRANDING
18240	CODE CONSULTANT
18245	EXTERIOR BUILDING MAINTENANCE (Façade Access)
18250	FIRE SPRINKLER / ALARM
18255	GREEN BUILDING CONSULTANT
18260	SOLAR DESIGN
18270	WATERPROOFING/BUILDING ENVELOPE
18275	A&E REIMBURSABLES
18280	PERMIT EXPEDITE
18285	ARCHEOLOGICAL OBSERVATION
18290	GEOTECHNICAL OBSERVATION
18295	SPECIAL INSPECTIONS
18297	OTHER CONSULTANTS

New Con. (infill)	total	937,280	\$11,716	2.2%
\$937,280	total	85,000	\$1,063	0.2%
\$0	total	-	\$0	0.0%
\$40,000	total	40,000	\$500	0.1%
\$45,000	total	45,000	\$563	0.1%
\$18,350	total	18,350	\$229	0.0%
\$10,000	total	10,000	\$125	0.0%
\$7,500	total	7,500	\$94	0.0%
\$25,000	total	25,000	\$313	0.1%
\$30,000	total	30,000	\$375	0.1%
\$20,000	total	20,000	\$250	0.0%
\$30,000	total	30,000	\$375	0.1%
\$40,000	total	40,000	\$500	0.1%
\$25,000	total	25,000	\$313	0.1%
\$1,500	total	1,500	\$19	0.0%
\$0	total	-	\$0	0.0%
\$40,000	total	40,000	\$500	0.1%
\$100,000	total	100,000	\$575	0.2%
\$5,000	total	5,000	\$0	0.0%
		1,459,630	\$17,508	3.4%

\$0	\$937,280	\$0	###
\$0	\$85,000	\$0	###
\$0	\$0	\$0	###
\$0	\$40,000	\$0	###
\$0	\$45,000	\$0	###
\$0	\$18,350	\$0	###
\$0	\$10,000	\$0	###
\$0	\$7,500	\$0	###
\$0	\$25,000	\$0	###
\$0	\$30,000	\$0	###
\$0	\$20,000	\$0	###
\$0	\$30,000	\$0	###
\$0	\$40,000	\$0	###
\$0	\$25,000	\$0	###
\$0	\$1,500	\$0	###
\$0	\$0	\$0	###
\$0	\$40,000	\$0	###
\$0	\$100,000	\$0	###
\$0	\$5,000	\$0	###
\$0	\$1,459,630	\$0	###

## 18300 FEASIBILITY STUDIES

18305	PHASE I ESA
18310	PHASE II ESA
18315	ACM & LEAD REPORT
18320	ALTA SURVEY
18325	GEOTECHNICAL REPORT
18330	ACOUSTIC STUDY
18335	ARCHEOLOGICAL REPORT
18340	BIOLOGY
18345	HISTORICAL REPORT
18350	TRAFFIC
18355	APPRAISAL
18360	MARKET STUDY
18365	RELOCATION STUDY
	RESERVED
	RESERVED
18370	OTHER FEASIBILITY STUDIES

\$3,500	total	3,500	\$44	0.0%
\$0	total	-	\$0	0.0%
\$5,000	total	5,000	\$63	0.0%
\$15,000	total	15,000	\$188	0.0%
\$16,500	total	16,500	\$206	0.0%
\$7,500	total	7,500	\$94	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$20,000	total	20,000	\$250	0.0%
\$15,000	total	15,000	\$188	0.0%
\$10,000	total	10,000	\$125	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
\$0	total	-	\$0	0.0%
		92,500	\$1,156	0.2%

\$0	\$3,500	\$0
\$0	\$0	\$0
\$0	\$5,000	\$0
\$0	\$15,000	\$0
\$0	\$16,500	\$0
\$0	\$7,500	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$20,000	\$0
\$0	\$15,000	\$0
\$0	\$10,000	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$0	\$0
\$0	\$62,500	\$30,000

18400	BORROWER LEGAL												
18405	LEGAL - PSA	\$30,000	total	30,000	\$375	0.1%	\$0	\$0	\$30,000				
18410	LEGAL - ENTITLEMENTS AND LAND USE	\$15,000	total	15,000	\$188	0.0%	\$0	\$0	\$15,000				
18415	LEGAL - GC CONTRACT	\$10,000	total	10,000	\$125	0.0%	\$0	\$10,000	\$0				
18420	LEGAL - PARTNERSHIP	\$15,000	total	15,000	\$188	0.0%	\$0	\$0	\$15,000				
18425	LEGAL - CONSTRUCTION LOAN	\$75,000	total	75,000	\$938	0.2%	\$0	\$18,750	\$56,250				
18430	LEGAL - NON PROFIT MGP	\$20,000	total	20,000	\$250	0.0%	\$0	\$0	\$20,000				
18435	LEGAL - CONSTRUCTION ACCESS AGREEMENT	\$10,000	total	10,000	\$125	0.0%	\$0	\$10,000	\$0				
18440	LEGAL - GENERAL	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	<b>BORROWER LEGAL</b>			<b>175,000</b>	<b>\$2,188</b>	<b>0.41%</b>	<b>\$0</b>	<b>\$38,750</b>	<b>\$136,250</b>				
18500	OTHER SOFT COSTS												
18505	CONSTRUCTION MANAGEMENT (PRE-CON)	\$110,000	total	110,000	\$1,375	0.3%	\$0	\$110,000	\$0				
18510	CONSTRUCTION MANAGEMENT (CONSTRUCTION)	\$10,000	per month	210,000	\$2,625	0.5%	\$0	\$210,000	\$0				
18515	NON PROFIT ADMISSION FEE	\$10,000	total	10,000	\$125	0.0%	\$0	\$0	\$10,000				
18520	FF&E	\$2,100	Per Unit	168,000	\$2,100	0.4%	\$0	\$168,000	\$0				
18525	MARKETING & LEASE-UP	\$1,250	Per Unit	100,000	\$1,250	0.2%	\$0	\$0	\$100,000				
18530	MISCELLAENOUS ADMIN	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18535	PROFESSIONAL FEES	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18540	PROPERTY MAINTENANCE (PRE-DEV)	\$20,000	total	20,000	\$250	0.0%	\$0	\$0	\$20,000				
18545	RELOCATION	\$402,490	total	402,490	\$5,031	1.0%	\$0	\$0	\$402,490				
18550	COMMERCIAL BROKERAGE FEES	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18555	LAND BROKERAGE FEES	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	OTHER SOFT COSTS	\$75,000	total	75,000	\$938	0.2%	\$0	\$0	\$75,000				
	<b>TOTAL OTHER SOFT COSTS</b>			<b>1,095,490</b>	<b>\$13,694</b>	<b>2.59%</b>	<b>\$0</b>	<b>\$488,000</b>	<b>\$607,490</b>				
18600	TAXES AND INSURANCE												
18605	REAL ESTATE TAXES DURING CONSTRUCTION	1.20%	Of Taxable Value	630	\$8	0.0%	\$0	\$0	\$630				
18610	TITLE INSURANCE/ESCROW/RECORDING	0.30%	Of Loan	64,800	\$810	0.2%	\$0	\$0	\$64,800				
18615	INSURANCE (BUILDER'S RISK)	0.55%	Of hard costs	159,563	\$1,995	0.4%	\$0	\$159,563	\$0				
18620	INSURANCE (OCIP)	1.50%	Of hard costs	435,172	\$5,440	1.0%	\$0	\$435,172	\$0				
18625	INSURANCE (GL)	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18630	MISCELLAENOUS TAXES & FEES	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	<b>TOTAL TAXES AND INSURANCE</b>			<b>660,165</b>	<b>\$8,252</b>	<b>1.56%</b>	<b>\$0</b>	<b>\$594,735</b>	<b>\$65,430</b>				
18650	RESERVES												
18655	REPLACEMENT RESERVE - INITIAL DEPOSIT	\$0	Yes	-	\$0	0.0%	\$0	\$0	\$0				
18660	OPERATING RESERVE	3.00	Per Unit	280,000	\$3,500	0.7%	\$0	\$0	\$280,000				
18665	LIQUIDITY RESERVE	\$0	mos. OPEX+DS	-	\$0	0.0%	\$0	\$0	\$0				
18670	LEASE-UP RESERVE	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18675	OPERATING DEFECIT	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	<b>TOTAL RESERVES</b>			<b>280,000</b>	<b>\$3,500</b>	<b>0.7%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$280,000</b>				
18700	FINANCING COSTS												
18705	CONSTRUCTION LOAN ORIGINATION FEE	1.00%	of Cost, Loan	216,000	\$2,700	0.5%	\$0	\$108,000	\$108,000				
18710	CONSTRUCTION LENDER LEGAL	\$80,000	total	80,000	\$1,000	0.2%	\$0	\$40,000	\$40,000				
18715	CONSTRUCTION LENDER INSPECTION FEES	\$2,000	per Month	42,000	\$525	0.1%	\$0	\$42,000	\$0				
18720	CONSTRUCTION LENDER TECHNICAL STUDIES	\$25,000	total	25,000	\$313	0.1%	\$0	\$12,500	\$12,500				
18725	PERMANENT LOAN CONVERSION FEE	\$10,000	total	10,000	\$125	0.0%	\$0	\$0	\$10,000				
18730	PERMANENT LENDER CLOSING COSTS	\$15,000	total	15,000	\$188	0.0%	\$0	\$0	\$15,000				
18735	MORTGAGE BROKER FEE (CONSTRUCTION)	0.00%	of Cost, Loan	-	\$0	0.0%	\$0	\$0	\$0				
18740	MORTGAGE BROKER FEE (PERM)	0.00%	of Perm Loan	-	\$0	0.0%	\$0	\$0	\$0				
18745	PREDEVELOPMENT APP FEE	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18750	PREDEVELOPMENT LENDER LEGAL	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18755	PREDEVELOPMENT LOAN FEE	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18760	PREDEVELOPMENT LOAN INTEREST	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	RESERVED	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	RESERVED	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	RESERVED	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18780	FINANCING CONTINGENCY	0.00%	total	-	\$0	0.0%	\$0	\$0	\$0				
	<b>TOTAL FINANCING COSTS</b>			<b>388,000</b>	<b>\$4,850</b>	<b>0.9%</b>	<b>\$0</b>	<b>\$202,500</b>	<b>\$185,500</b>				
18785	CONSTRUCTION LOAN INTEREST	\$1,500,000	Calc	1,500,000	\$18,750	3.5%	\$0	\$800,000	\$700,000				
18790	ACCRUED INTEREST ON SOFT DEBT	\$635,000		635,000	\$7,938	1.5%	\$0	\$713,347	\$639,558				
	<b>TAX EXEMPT BOND COSTS</b>							<b>\$375,000</b>	<b>\$260,000</b>				
								\$407,120	\$271,613				
18800	TAX EXEMPT BOND COSTS												
18805	BOND ALLOCATION FEE	0.04%	of Bond Amt	7,560	\$95	0.0%	\$0	\$0	\$7,560				
18810	OTHER COST OF ISSUANCE (CDAIC)	0.03%	of Bond Amt	5,400	\$68	0.0%	\$0	\$0	\$5,400				
18815	ISSUER APPLICATION FEE	\$3,000	total	3,000	\$38	0.0%	\$0	\$0	\$3,000				
18818	ISSUER FEES DURING CONSTRUCTION	0.375%	total	81,000	\$1,013	0.2%	\$0	\$0	\$81,000				
18820	PERFORMANCE DEPOSIT (REFUNDABLE)	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18825	TRUSTEE FEE	\$5,000	total	5,000	\$63	0.0%	\$0	\$0	\$5,000				
18830	BOND COUNSEL	\$45,000	total	45,000	\$563	0.1%	\$0	\$0	\$45,000				
18835	FINANCIAL ADVISOR	\$40,000	total	40,000	\$500	0.1%	\$0	\$0	\$40,000				
18840	RATING AGENCY	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18845	BOND CLEARANCE	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18850	AGENCY LEGAL	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18855	BOND UNDERWRITER	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18860	UNDERWRITER'S COUNSEL	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
18865	PLACEMENT FEE	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	RESERVED	\$0	total	-	\$0	0.0%	\$0	\$0	\$0				
	<b>TOTAL TAX EXEMPT BOND COSTS</b>			<b>186,960</b>	<b>\$2,337</b>	<b>0.4%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$186,960</b>				
18900	TAX CREDIT COSTS												
18905	TAX CREDIT APPLICATION FEE	\$2,000	total	2,000	\$25	0.0%	\$0	\$0	\$2,000				
18910	TAX CREDIT RESERVATION FEE (ESTIMATE)	\$258	per unit	20,663	\$258	0.0%	\$0	\$0	\$20,663				
18915	COMPLIANCE MONITORING FEE	\$410	per unit	32,800	\$410	0.1%	\$0	\$0	\$32,800				
18920	AUDIT & TAX RETURN	\$20,000	total	20,000	\$250	0.0%	\$0	\$0	\$20,000				
18925	COST CERTIFICATION	\$10,000	total	10,000	\$125	0.0%	\$0	\$0	\$10,000				
18930	SYNDICATION FEES	\$75,000	total	75,000	\$938	0.2%	\$0	\$0	\$75,000				
18935	SYNDICATION EXPENSES	\$10,000	total	10,000	\$125	0.0%	\$0	\$0	\$10,000				
	<b>TOTAL TAX CREDIT COSTS</b>			<b>170,463</b>	<b>\$2,131</b>	<b>0.4%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$170,463</b>				
18940	SOFT COST CONTINGENCY	2.50%	Rounded	195,000	\$2,438	0.5%	\$0	\$195,000	\$0				
18950	DEVELOPER FEE												
18955	DEVELOPER FEE ON ACQUISITION	0.00%	Total	-	\$0	0.0%	\$0	\$0	\$0				
18960	DEVELOPER FEE ON REHAB/NEW CONST.	15.00%	Total	5,267,741	\$65,847	12.4%	\$0	\$5,267,741	\$0				
	<b>TOTAL DEVELOPER FEE</b>			<b>5,267,741</b>	<b>\$65,846.76</b>	<b>12.4%</b>	<b>\$0</b>	<b>\$5,267,741</b>	<b>\$0</b>				
	<b>GRAND TOTAL DEVELOPMENT COSTS</b>												
				<b>42,317,639</b>	<b>\$528,233</b>	<b>100.00%</b>	<b>\$0</b>	<b>\$39,265,546</b>	<b>\$3,052,093</b>				

## LIHTC WATERFALL

	Credit Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
INCOME	\$0	\$50,215	\$1,215,454	\$1,278,554	\$1,316,911	\$1,356,418	\$1,397,110	\$1,439,024	\$1,482,194	\$1,526,660	\$1,572,460	\$1,619,634	\$1,668,223	\$1,718,270	\$1,769,818	\$1,822,912	\$1,877,600
EXPENSES	\$0	\$43,621	\$538,796	\$554,597	\$570,872	\$587,636	\$604,902	\$622,687	\$641,005	\$659,872	\$679,306	\$699,322	\$719,940	\$741,175	\$763,048	\$785,577	\$808,781
NET OPERATING INCOME	\$0	\$6,594	\$676,658	\$723,957	\$746,038	\$768,782	\$792,208	\$816,337	\$841,190	\$866,788	\$893,154	\$920,311	\$948,283	\$977,094	\$1,006,770	\$1,037,336	\$1,068,818
TOTAL HARD DEBT SERVICE	\$0	\$0	(\$239,673)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)	(\$575,215)
DCSR			2.82	1.26	1.30	1.34	1.38	1.42	1.46	1.51	1.55	1.60	1.65	1.70	1.75	1.80	1.86
NET PARTNERSHIP CASH FLOW	-	6,594	436,985	148,742	170,823	193,567	216,993	241,122	265,974	291,573	317,939	345,096	373,068	401,879	431,554	462,120	493,603
CASH FLOW WATERFALL																	
1 ASSET MANAGEMENT FEE	3.00%	growth rate															
BEGINNING BALANCE	\$0	\$10,000	\$13,706	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ASSET MANAGEMENT FEE	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047
PAYMENTS	\$0	\$6,594	\$24,315	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047
ENDING BALANCE	\$10,000	\$13,706	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Balance After LP AM Fee	\$0	\$0	\$412,670	\$137,814	\$159,568	\$181,974	\$205,052	\$228,823	\$253,307	\$278,525	\$304,500	\$331,254	\$358,810	\$387,194	\$416,428	\$446,540	\$477,556
2 PARTNERSHIP MANAGEMENT FEE	3.00%	growth rate															
BEGINNING BALANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
INTEREST ON BALANCE	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047
PAYMENTS	\$0	\$0	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047
ENDING BALANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Balance After MGP Fee	\$0	\$0	\$402,061	\$126,887	\$148,313	\$170,381	\$193,112	\$216,524	\$240,639	\$265,477	\$291,060	\$317,411	\$344,553	\$372,508	\$401,303	\$430,961	\$461,509
3 PARTNERSHIP ADMIN FEE TO AGP	3.00%	growth rate															
BEGINNING BALANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
INTEREST ON BALANCE	\$0	\$0	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689
PAYMENTS	\$0	\$0	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689

**ATTACHMENT 4**  
**HOUSING COMMISSION MULTIFAMILY**  
**HOUSING REVENUE BOND PROGRAM SUMMARY**

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

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

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

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

**Approval Process:**

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

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

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

- Application for Bond Allocation: The issuance of these "private activity bonds" (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Commission and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- Final Bond Approval: The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups, etc.
- Funding and Bond Administration: All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders, if rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or Housing Authority, and the trustee has no standing to ask the issuer for funds.

Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Since the Housing Authority is not responsible in any way for bond repayment, there are no financial statements or

summaries about the Housing Authority or the City that are included as part of the offering document. The offering document includes a paragraph that states that the Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on behalf of the Housing Authority to issue the bonds. The offering document also includes a paragraph that details that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to issue bonds. This is the extent of the disclosure required of the Housing Authority, Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which might have an impact on the viability of the project.

# ATTACHMENT 5 - FINANCIAL ADVISOR'S ANALYSIS

## ROSS FINANCIAL

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1736 Stockton Street, Suite One • San Francisco, CA 94133 • (415) 912-5612 • Cell (415) 505-4331

October 26, 2023

Mr. Joseph Correia  
Sr. Real Estate Project Manager  
Real Estate Division  
San Diego Housing Commission  
1122 Broadway, Suite 300  
San Diego, CA 92101

**Re: 8<sup>th</sup> Avenue Family Housing**

Dear Mr. Correia:

The San Diego Housing Commission (the “Commission”) has retained Ross Financial as its independent municipal advisor, in part, to analyze the feasibility of issuing tax-exempt obligations (the “Note”) for the 8<sup>th</sup> Avenue Family Housing development (the “Development”).

This feasibility analysis reviews the following items:

- Overview of the Development
- Proposed financing approach
- Benefits and risks to Commission
- Public purpose
- Recommendations

Ross Financial has based its analysis of the Development’s financial feasibility on materials provided by the developer, Rise Urban Partners LLC dba Trestle Build (“Trestle Build”), which created the borrower entity (the “Borrower”) for the Development. The materials include: (1) the joint application to the California Debt Limit Allocation Committee (“CDLAC”) and California Tax Credit Allocation Committee (“CTCAC”), (2) the financing commitments from Citibank, N.A. as construction and permanent lender (the “Lender”), (3) the market study performed by Novogradac in support of the application to CDLAC and CTCAC, and (4) Trestle Build’s pro forma financial schedules for the Development. Ross Financial has not visited the site of the proposed Development and had no role in the selection of the Lender or in developing the overall financing structure.

## OVERVIEW OF THE DEVELOPMENT

**Development Summary.** The Development is a new construction multifamily rental housing development that will contain 79 affordable units (plus 1 unrestricted manager's unit) in a single 8 story, elevator-serviced building. The Development, which will be built under the City of San Diego's Complete Communities Housing Solutions Program, will set aside the 79 affordable units to households and families with incomes at or below 30% and 50% area median income. The Development will not be supported by project-based vouchers. On-site services will be provided by Pacific Southwest CDC, a California not-for-profit public benefit corporation.

A concrete podium deck will comprise the first three floors, with a concrete on slab foundation. The upper five floors will be wood-frame construction. Mobility features will be provided in 15 of the units and an additional 10% of the units will contain communication features. All units will be adaptable, and each will be equipped with a refrigerator, oven, microwave, dishwasher and in-sink garbage disposal. Common spaces will include community rooms, a laundry room, outdoor courtyard area, bicycle storage, a conference room, parcel lockers and an outdoor patio. Solar PV panels will serve the common spaces. There will be 4 tuck-under parking spaces.

**Unit and Affordability Mix.** The unit mix and affordability restrictions for Development is expected to be as follows:

8 <sup>th</sup> Avenue Family	Unit Mix	30% AMI**	50% AMI**
Studio/1 BA	22	2	20
1 Bedroom/1 Bath	18*	2	15
2 Bedroom/1 Bath	20	2	18
3 Bedroom/2 Bath	20	2	18
<b>Total Units</b>	<b>80</b>	<b>8</b>	<b>71</b>

\*Includes 1 unrestricted manager's unit

\*\* AMI = Area median income; Manager's units are not subject to affordability restrictions

**Description of Project Site.** The Development is to be constructed on a 0.28 acre site located at 3927 and 2937 8<sup>th</sup> Avenue between University Avenue and Washington Street near State Route 163. The Project Site is owned by the Borrower. Land use to the north consists of owner-occupied townhouse and single family residential; land use to the south and west consists of commercial/retail uses; land use to the east consists of multifamily development and beyond that, Highway 163. The site is currently improved with an existing two story hotel and parking lot, and a single family home with a detached garage. These improvements will be demolished prior to construction.

**Ownership of the Development/Borrower.** The ownership entity for the Development will be Rise 8<sup>th</sup> Avenue LP, a single asset California limited partnership consisting of: (a) Rise 8<sup>th</sup> Ave LLC, created by Trestle Build, which will serve as Administrative General Partner, (b) National Housing MGP LLC, created by National Housing Corporation, a

nonprofit public benefit corporation, which will serve as Managing General Partner and (c) a tax credit limited partnership consisting of Red Stone Equity Manager, LLC and RESFP Holding, LLC.

**TrestleBuild Experience.** According to Trestle Build the firm has 10 years of experience in financing, developing and/or rehabilitating multifamily rental housing. This experience encompasses 556 units in the Western United States, including more than 230 affordable housing units in San Diego. Trestle Build's most recent activity with the Housing Commission includes:

- Aurora Apartments, a 47-unit new construction family development in the Carmel Valley community in the northern San Diego. Completion is expected in November 2023;
- One Mississippi, a 61-unit new construction family development located in North Park. This project was completed in October 2022; and
- Nook East Village, a 91-unit new construction workforce studio development located in the East Village community. This project was completed in March 2019.

***CDLAC/CTCAC.*** On May 23, 2023, the Housing Authority filed a joint application to CDLAC and CTCAC requesting a private activity bond allocation of \$21,600,000 for the Development, along with a reservation of 4% Federal tax credits. On August 23, 2023, CDLAC awarded a private activity bond allocation in the requested amount and CTCAC reserved the requested 4% Federal tax credits. The CDLAC allocation will expire on March 4, 2024.

In connection with the CDLAC/CTCAC application process, on May 12, 2023, the Housing Commission adopted a resolution of intent to issue tax-exempt obligations for the Development and authorized the submission of an application to CDLAC. On the same date, a TEFRA hearing, duly noticed, was held before the Housing Commission. with approval by the City scheduled for December 12, 2023.

## **PROPOSED FINANCING**

***Project Costs and Funding.*** According to most recent projections provided by Trestle Build, the total costs of the Development, including construction and all soft costs, are estimated at \$42,317,639. The estimated sources of funds will differ during the construction period and following construction and lease-up ("at permanent"), as shown in the following table based on the most recent projections:

Sources of Funds	Construction	Permanent
Tax-Exempt Note Proceeds	\$21,600,000	\$7,668,725
Federal Low Income Housing Tax Credits	3,728,601	17,659,876
NHC Loan	12,600,000	12,600,000
Accrued Interest on NHC Loan	635,000	635,000
Deferred Developer Fee	3,754,038	3,754,038
<b>Total</b>	<b>\$42,317,639</b>	<b>\$42,317,639</b>
Uses of Funds		
Acquisition Cost	\$30,000	\$30,000
Construction Costs	29,011,442	29,011,442
Construction Period Interest	2,135,000	2,135,000
Architectural & Engineering	1,459,630	1,459,630
Contingency Costs (Soft)	195,000	195,000
Impact Fees and Permits	1,170,249	1,170,249
Reserves	280,000	280,000
Misc. Soft Costs and Legal	2,768,577	2,768,577
Developer Fee*	5,267,741	5,267,741
<b>Total</b>	<b>\$42,317,639</b>	<b>\$42,317,639</b>

\*Cash developer fee is \$1,513,703 with \$3,754,038 deferred

**Description of Financing.** The current expectation (based on the Borrower’s most recent pro forma) is that the Housing Authority will issue the Note as a single tax-exempt series.

The Note will have the following features:

- The Note will be funded by Citibank, N.A. (the “Lender”);
- The Note will be issued on a draw down basis, with interest payable only on the amounts drawn;
- At issuance, the Note will be drawn down in at least the minimum amount required by Federal Tax Law (\$55,000); this amount may increase based on the final pro forma following the receipt final construction bids.
- Following lease-up (expected in 6 months after construction completion) (at “Conversion”), the Note will be paid down to a permanent estimated par of \$7,668,725. The source of repayment will be Federal low income housing tax credits.
- Prior to Conversion, the Note will bear a variable interest rate equal to 30 Day SOFR<sup>1</sup> + 1.75%. The current indicative SOFR rate is 5.30%, resulting in an indicative construction loan of approximately 7.05%.
- At Conversion, the tax-exempt Note will convert to a fixed rate that will be set at Closing. The rate will be established by reference to a formula (18-year SOFR Swap Index +2.50%) and is estimated at 7.05% in the current market.

<sup>1</sup> SOFR stands for Secured Overnight Funding Rate. It is the successor index to LIBOR, which phased out on June 30, 2023.

- The Note will have a stated maturity of 34 years from Closing (i.e., in 2057) but will be subject to mandatory prepayment in 18 years after Closing (i.e., in 2042). Following Conversion, the Note will amortize on a 40-year basis. The Note is expected to close in early January 2024.

The Lender will execute a document representing that it has sufficient knowledge and experience to evaluate the risks and merits associated with making the loans evidenced by the Note and its intention to hold the Note for its account. The Lender may transfer all or a portion of the Note only to transferees that execute a document with similar representations.

***Housing Commission Financial Involvement.*** The Housing Commission has no financial involvement with the Development.

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

- Tax-Exempt Note Regulatory Agreement requirements (including voluntary elections made to CDLAC) for a 55-year term after 50% occupancy;
- 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

***Cash Flow for the Development.*** The Borrower provided a pro forma cash flow for the Development. The following table summarizes key elements of the most recent proforma:

	8 <sup>th</sup> Avenue
<b>Assumptions</b>	
Vacancy	5%
Revenue Escalation	3%
Operating Expense Escalation	3%
<b>Cash Flow and Coverage</b>	
Stabilized Net Income – First Full Year	\$1,241,312
Expenses <sup>1</sup>	(554,592)
Net Operating Income	\$686,720
Note Debt Service <sup>2</sup>	(239,673)
Debt Service Coverage <sup>3</sup>	2.87x
Asset Management, AGP and Partnership Fees <sup>4</sup>	(48,683)
<b>Net Project Cash Flow<sup>5</sup></b>	<b>\$398,364</b>
Deferred Developer Fee	(398,364)
Available Cash Flow after Deferred Developer Fee to pay NHC loan	0

<sup>1</sup> Includes Commission's annual bond monitoring fee of \$10,000.

<sup>2</sup> Annual debt service is \$575,215 based on an initial permanent loan par of \$7,668,725 amortized on a 40 year basis at 7.05%; first year debt service is partially funded from capitalized funds

<sup>3</sup> Net operating income divided by sum of Note Debt Service. In year 2, when full annual debt service is due, debt service coverage is at 1.23x.

<sup>4</sup> Management fee includes accrued and unpaid fee from first two years; escalates off \$10,000 thereafter

<sup>5</sup> Deferred developer fee paid in second year is estimated at \$111,068 when full debt service is due

The following table shows the Borrower's most recent projected cash flow for the Development during first full five years following stabilized occupancy:

Escalation	Revenues	Year				
		1	2	3	4	5
3.00%	Gross Scheduled Rent	1,288,224	1,326,871	1,366,677	1,407,677	1,435,831
3.00%	Other Income	18,420	18,973	19,542	20,128	20,732
	<b>less 5% vacancy</b>	(65,332)	(67,292)	(69,311)	(71,390)	(72,828)
	<b>Total Net Income</b>	<b>1,241,312</b>	<b>1,278,551</b>	<b>1,316,908</b>	<b>1,356,415</b>	<b>1,383,734</b>
	<b>Expenses and Other Above the Line Items</b>					
3.00%	Operating Expenses*	(554,592)	(571,230)	(588,367)	(606,018)	(624,198)
	<b>Total Expenses</b>	<b>(554,592)</b>	<b>(571,230)</b>	<b>(588,367)</b>	<b>(606,018)</b>	<b>(624,198)</b>
	<b>Net Operating Income</b>	<b>686,720</b>	<b>707,321</b>	<b>728,541</b>	<b>750,397</b>	<b>759,536</b>
	Permanent Note Debt Service	(239,673)	(575,215)	(575,215)	(575,215)	(575,215)
	<b>Debt Service Coverage</b>	<b>2.87x</b>	<b>1.23x</b>	<b>1.27x</b>	<b>1.30x</b>	<b>1.32x</b>
	<b>Available Cash Flow after Permanent Loan Debt Service</b>	<b>447,047</b>	<b>132,106</b>	<b>153,326</b>	<b>175,182</b>	<b>184,321</b>
3.00%	Asset Management Fee	(23,074)	(10,927)	(11,255)	(11,592)	(11,940)
3.00%	Partnership Management Fee	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)
3.00%	AGP Fee	(15,000)	(15,450)	(15,914)	(16,391)	(16,883)
	<b>Project Cash Flow after Management Fees</b>	<b>398,364</b>	<b>94,802</b>	<b>114,903</b>	<b>135,606</b>	<b>143,558</b>
	Deferred Developer Fee	(398,364)	(94,802)	(114,903)	(135,606)	(143,558)
	<b>Project Cash Flow after Deferred Developer Fee</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Repayment of NHC Loan</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*includes SDHC's bond monitoring fee of \$10,000

## **PUBLIC PURPOSE**

The Note is expected to result in the long-term affordability of 79 studio, one-, two- and three-bedroom units in the City of San Diego. Of the 79 income-restricted units, 8 units will be restricted and affordable to households earning 30% AMI; and 71 units will be restricted and affordable to households earning 50% AMI. One one-bedroom unit will be occupied by a resident manager and be unrestricted.

The Note Regulatory Agreement and the Tax Credit Regulatory Agreement will require that these affordability levels be maintained for a period of 55 years after occupancy.

## **BENEFITS AND RISKS TO THE COMMISSION**

The Note provides a vehicle for financing a portion of the construction costs of the Development. As proposed, the Note will result in the long-term affordability of 79 studio, one-, two-, and three-bedroom units in the City of San Diego with units restricted to income levels described in “Public Purpose” above.

The Note does not pose undue financial risk to the Housing Authority. The Note is not a direct obligation of the Housing Authority or the City of San Diego. The Note will evidence a loan to be funded by the Lender, which has indicated its intention to hold the Note for its own account. The Note is expected to be paid down to \$7,668,725 following conversion.

The primary risk is construction and lease-up risk – that the Development is not completed and/or leased up in a timely fashion. Given the development, its location and project management experience of Trestle Build, the target tenant population and the demand for affordable units, this risk seems remote. This risk is borne entirely by the Lender.

If the Housing Authority issues the Note, the Commission would receive an issuer fee at Note closing of \$54,000, equal to 0.25% times the initial aggregate par amount of the Note. The Commission also would receive estimated annual fees of:

- \$27,000 to monitor the Note during the construction period (based on a Note par of \$21,600,000, and
- A minimum of \$10,000 to monitor the Note after conversion (assuming an estimated permanent Note of \$7,668,725).
- A minimum of \$10,000 following repayment of the Note through the end of the 55 year CDLAC compliance period.

Costs of issuance will be funded by the Borrower from low income housing tax credit contributions and/or other funds. The Borrower has agreed to indemnify the Housing Authority and Commission as to matters relating to the Note. However, the Borrower is a single purpose entity with no significant assets or source of income other than the

Mr. Joseph Correia  
Re: 8<sup>th</sup> Avenue Family Housing  
October 26, 2023  
Page 8 of 8

Development and is generally not required to make up any cash flow shortfalls. Accordingly, Trestle Build will be providing its indemnification.

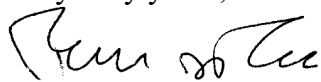
## **RECOMMENDATIONS**

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

- The Note will achieve a public purpose by providing an aggregate of 79 affordable units, with all units restricted to income levels at 30% and 50% of AMI.
- The Note will evidence a tax-exempt loan funded by a well-established, highly capitalized bank that is active in affordable housing lending. The Note will be subject to restrictive transfer limitations at all times.
- The Borrower has agreed to indemnify the Housing Authority and the Commission regarding matters relating to the financing. The Borrower will pay issuance costs from sources other than Note proceeds.
- Based on estimates provided by Trestle Build on behalf of the Borrower, there should be sufficient funds to complete the Development and the Development provides adequate cash flow to cover permanent loan debt service on the Note.

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

Very truly yours,



Peter J. Ross  
Principal



# ATTACHMENT 6A - DEVELOPER'S DISCLOSURE STATEMENT'

Real Estate Department

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

### Statement for Public Disclosure

1. Name of CONTRACTOR: Rise Urban Partners, LLC
2. Email: rob@trestlebuild.com
2. Address and Zip Code: 3525 Del Mar Heights Rd #211, San Diego 92130
3. Telephone Number: 619-540-2859
4. Name of Principal Contact for CONTRACTOR: Robert Morgan
5. Federal Identification Number or Social Security Number of CONTRACTOR: 84-3976037
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as (select and upload requested documents):
  - ☐ A corporation (Upload Articles of Incorporation)
  - ☐ A nonprofit or charitable institution or corporation. (Upload copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status)
  - ☐ A partnership known as (Name): \_\_\_\_\_

Check one:

  - ☐ General Partnership (Upload statement of General Partnership)
  - ☐ Limited Partnership (Upload Certificate of Limited Partnership)
  - ☐ A business association or a joint venture known as: \_\_\_\_\_  
(Upload joint venture or business association agreement)
  - ☐ A Federal, State or local government or instrumentality thereof.
  - ☐ Other (Please explain): \_\_\_\_\_
7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:  
November 26, 2019



8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
- If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
  - 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.
  - 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.
  - 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.
  - If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%. (Attach extra sheet if necessary)

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: David Allen	Manager of Trestle Development, LLC its
Address: 3260 S. Jefferson St	Co-Manager and 50% Owner
Spokane, WA 99203	
Name: Rob Morgan	Co-Manager and 50% Owner
Address: 3971 Montefrio Ct	
San Diego, CA 92130	
Name:	
Address:	

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.

The contractor will form a single-asset entity for the purpose of financing and developing the 8th Ave affordable apartments.

A limited partner and non profit managing general partner will be admitted into the structure to facilitate the transaction.



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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: n/a	
Address:	
Name:	
Address:	
Name:	
Address:	

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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: n/a	
Address:	
Name:	
Address:	
Name:	
Address:	



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.

Name and Address		Relationship to CONTRACTOR
Name:	Trestle Development, LLC	50% Owner of Rise Urban Partners, LLC
Address:	3525 Del Mar Heights Rd, #211 San Diego, CA 92130	
Name:		
Address:		
Name:		
Address:		

14. Provide description of the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the financial statements that was requested (attached) as part of the Application, including, but not necessarily limited to, profit and loss statements and statements of financial position: Rise Urban Partners, LLC is a venture between Trestle Development LLC, and Rob Morgan. Rise has one project completed and one under development which is expected to deliver \$1.5m of developer fee over the next 15 months. Rise keeps approximately \$500,000 of cash on hand.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:  
Sources for this project include LIHTC equity, tax exempt bond proceeds, and a private subordinate note.

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

- a. In banks/savings and loans:

Name: First Republic Bank

Address: 1280 4th Ave, San Diego, CA 92101

Amount: \$ 500,000

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

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Amount: \$ \_\_\_\_\_



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

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

Additional Information, as needed: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

Name and Address	Contact Name
Name: First Republic Bank	Brittany Griffin
Address: 1280 4th Ave	
San Diego, CA 92101	
Name: Chase Bank	Jonathan Walsh
Address: 101 W. Broadway	
San Diego, CA 92101	
Name:	
Address:	

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

☐ Yes ☒ No

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

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

☐ Yes ☒ No

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



Case 1: \_\_\_\_\_

Case 2: \_\_\_\_\_

Case 3: \_\_\_\_\_

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

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

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

a. Name and addresses of such contractor or builder:

Name and Address		Affiliation
Name:	n/a	
Address:		
Name:		
Address:		
Name:		
Address:		



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

☐ Yes ☒ No

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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

Complete one table for each project:

Project Name	Merge 56 Affordable	
Project Owner Contact Information	Rob Morgan	3525 Del Mar Heights Rd #211
	Name	San Diego, CA 92130
		Address
Project Location	8201 Merge Ave, San Diego, CA 92129	
Project Details	47 units of LIHTC-financed apartments	
Bonding Company Involved	n/a	
	Name	Amount of Contract
Change Order Details	under construction	
Change Order Cost		
Litigation Details		
	Location/Date	Outcome Details



<b>Project Name</b>	One Mississippi	
<b>Project Owner Contact Information</b>	Rob Morgan	3525 Del Mar Heights Rd #211 San Diego, CA 92130
	Name	Address
<b>Project Location</b>	2139 El Cajon Blvd, San Diego, CA 92104	
<b>Project Details</b>	61 units of LIHTC-financed apartments and over 2,000 sf of retail	
<b>Bonding Company Involved</b>	n/a	
	Name	Amount of Contract
<b>Change Order Details</b>	project was on budget (within budget contingency)	
<b>Change Order Cost</b>		
<b>Litigation Details</b>		
	Location/Date	Outcome Details

<b>Project Name</b>	Nook East Village	
<b>Project Owner Contact Information</b>	David Allen	3525 Del Mar Heights Rd #211 San Diego, CA 92130
	Name	Address
<b>Project Location</b>	330 15th St, San Diego, CA 92101	
<b>Project Details</b>	91 affordable efficiency units and 2,000 sf of retail	
<b>Bonding Company Involved</b>	n/a	
	Name	Amount of Contract
<b>Change Order Details</b>	project was on budget (within budget contingency)	
<b>Change Order Cost</b>		
<b>Litigation Details</b>		
	Location/Date	Outcome Details



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

Identification of Contract or Development	Location	Amount	Date to be Completed
Merge 56 Affordable	8201 Merge Ave, 92129	\$15m	July 2023
One Mississippi	2139 El Cajon Blvd, 92104	\$13m	October 2022

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

Awarding Agency	Amount	Date Opened

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

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

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

☐ Yes

☒ No

If yes, explain:



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

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

☐ Yes ☒ No

If yes, please explain:

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

- 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)]:  
none carried for Rise Urban Partners, LLC  
\_\_\_\_\_
- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]:  
none carried for Rise Urban Partners, LLC  
\_\_\_\_\_
- f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]:  
n/a  
\_\_\_\_\_

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



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

Government Complaint	Entity	Making	Date	Resolution

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

☐ Yes ☒ No

If yes, please explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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



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

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

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

Date	Entity Involved (i.e. City SDHC, etc)	Status (Current, delinquent, repaid, etc.)	Dollar Amount
6/1/22	SD Housing Authority	Current	\$16m & \$1.5m
4/1/21	SD Housing Authority	Current	\$12,150,000

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 ☒ No

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

☐ Yes ☒ No

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_



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

1. Name: Rick Allgire, Allgire General Contractors

Address: 3278 Grey Hawk Court

Phone: 760-477-8455

Project Name and Description: Nook East Village, Nook on Valdez

2. Name: Debbie Ruane, Norwood Development Strategies

Address: \_\_\_\_\_

Phone: 619-992-8844

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

3. Name: Matt Grosz, Redstone Equity Partners

Address: \_\_\_\_\_

Phone: 619-533-3903

Project Name and Description: One Mississippi, Cordova Trolley Rehabs

39. Provide a brief statement regarding equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.  
Both principals involved in the transaction have been involved in multifamily housing construction for 15+ years. The team has been responsible for the development of over 550 units in the last nine years and has extensive experience in tax credit and tax exempt bond financing.

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

Name	Experience
TBD	



**CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR**

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

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

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

Executed this 29<sup>th</sup> day of March, 20 23, at San Diego, California.

CONTRACTOR

By: [Signature]  
Signature

Manager  
Title



SAN DIEGO  
HOUSING  
COMMISSION

Real Estate Department

CERTIFICATION

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

By: Robert Morgan

By: \_\_\_\_\_

Title: Manager

Title: \_\_\_\_\_

Dated: 3/29/23

Dated: \_\_\_\_\_

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

JURAT

State of California

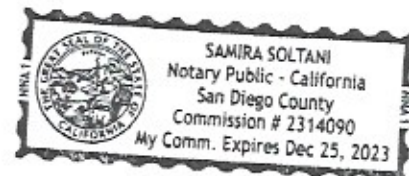
County of San Diego

Subscribed and sworn to (or affirmed) before me on this 29th day of March, 20 23

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

Signature of Notary

SEAL





## ATTACHMENT 6B - DEVELOPER'S DISCLOSURE STATEMENT

Real Estate Department

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

#### Statement for Public Disclosure

1. Name of CONTRACTOR: Rise 8th Ave, LP
2. Email: rob@trestlebuild.com
2. Address and Zip Code: 3525 Del Mar Heights Rd, #211, San Diego, CA 92130
3. Telephone Number: (619) 540-2859
4. Name of Principal Contact for CONTRACTOR: Rob Morgan
5. Federal Identification Number or Social Security Number of CONTRACTOR: \_\_\_\_\_
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 (select and upload requested documents):
  - ☐ A corporation (Upload Articles of Incorporation)
  - ☐ A nonprofit or charitable institution or corporation. (Upload copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status)
  - ☒ A partnership known as (Name): Rise 8th Ave, LP

Check one:

  - ☐ General Partnership (Upload statement of General Partnership)
  - ☒ Limited Partnership (Upload Certificate of Limited Partnership)
  - ☐ A business association or a joint venture known as: \_\_\_\_\_  
(Upload joint venture or business association agreement)
  - ☐ A Federal, State or local government or instrumentality thereof.
  - ☐ Other (Please explain): \_\_\_\_\_
7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization: \_\_\_\_\_



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:
- If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
  - 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.
  - 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.
  - 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.
  - If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%. (Attach extra sheet if necessary)

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: Rise 8th Ave, LLC	Administrative General Partner
Address: 3525 Del Mar Heights Rd, #211 San Diego, CA 92130	0.009% interest in Rise 8th Ave, LP
Name: National Housing MGP, LLC	Managing General Partner
Address: 1649 Capalina Rd, Suite 500 San Marcos, CA 92069	0.001% interest in Rise 8th Ave, LP
Name: Rise Urban Partners, LLC	Limited Partner
Address: 3525 Del Mar Heights Rd, #211 San Diego, CA 92130	99.99% interest in Rise 8th Ave, LP

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.

Yes, the partnership will admit an Investor Limited Partner.



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 and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: Rise 8th Ave, LLC	Manager of Limited Partner
Address: 3525 Del Mar Heights Rd, #211	(100% Interest)
San Diego, CA 92130	
Name: Rise Urban Partners, LLC	Manager of Rise 8th Ave, LLC
Address: 3525 Del Mar Heights Rd, #211	(100% Interest)
San Diego, CA 92130	
Name: National Housing Corp	Manager of National Housing MGP, LLC
Address: 1649 Capalina Rd	(100% Interest)
San Marcos, CA 92069	

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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: David Allen	Manager of Rise Urban Partners, LLC (50%)
Address: 3525 Del Mar Heights Rd, #211	Manager of Trestle Development, LLC (100% Interest)
San Diego, CA 92130	
Name: Robert Morgan	Manager of Rise Urban Partners, LLC (50% Interest)
Address: 3525 Del Mar Heights Rd, #211	
San Diego, CA 92130	
Name: Megan Birnkrant	Executive Director, National Housing Corporation
Address: 1649 Capalina Rd	member and manager of
San Marcos, CA 92069	National Housing MGP, LLC

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.

Name and Address	Relationship to CONTRACTOR
Name:	as described in sections 8-12
Address:	
Name:	
Address:	
Name:	
Address:	

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

Rise 8th Ave, LP is a single asset entity with no financial activity.

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

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

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

- a. In banks/savings and loans:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

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

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Amount: \$ \_\_\_\_\_



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

Description	Market Value (\$)	Mortgages or Liens (\$)

Additional Information, as needed:

Equity for the transaction will be provided by the Tax Credit Equity Partner at construction loan closing.

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

Name and Address	Contact Name
Name: First Republic Bank	Brittany Griffin
Address: 1280 4th Ave	
San Diego, CA 92101	
Name: Chase Bank	Jonathan Walsh
Address: 101 W. Broadway	
San Diego, CA 92101	
Name:	
Address:	

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

☐ Yes

☒ No

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

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

☐ Yes

☒ No

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



Case 1: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Case 2: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Case 3: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

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

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

- a. Name and addresses of such contractor or builder: **N/A. Contractor plans to hire a third-party General Contractor.**

Name and Address	Affiliation
Name:	
Address:	
Name:	
Address:	
Name:	
Address:	



- 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: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Complete one table for each project:

<b>Project Name</b>		
<b>Project Owner Contact Information</b>		
	Name	Address
<b>Project Location</b>		
<b>Project Details</b>		
<b>Bonding Company Involved</b>		
	Name	Amount of Contract
<b>Change Order Details</b>		
<b>Change Order Cost</b>		
<b>Litigation Details</b>		
	Location/Date	Outcome Details



Project Name		
Project Owner Contact Information		
	Name	Address
Project Location		
Project Details		
Bonding Company Involved		
	Name	Amount of Contract
Change Order Details		
Change Order Cost		
Litigation Details		
	Location/Date	Outcome Details

Project Name		
Project Owner Contact Information		
	Name	Address
Project Location		
Project Details		
Bonding Company Involved		
	Name	Amount of Contract
Change Order Details		
Change Order Cost		
Litigation Details		
	Location/Date	Outcome Details



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

Identification of Contract or Development	Location	Amount	Date to be Completed

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

Awarding Agency	Amount	Date Opened

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

Rise 8th Ave, LP plans to hire a qualified, TBD third-party General Contractor.

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

☐ Yes

☒ No

If yes, explain:

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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:

Rise 8th Ave, LP is a single asset entity managed by Rise 8th Ave, LLC, its general partners which is 100% owned by Rise Urban Partners, LLC. See principal bios 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, please explain:

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

- 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 SDHC setting forth the provisions of this nondiscrimination clause.
28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the SDHC, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the SDHC, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the SDHC, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the SDHC was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.



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

Government Complaint	Entity	Making	Date	Resolution

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

☐ Yes

☒ No

If yes, please explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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



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

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

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

Date	Entity Involved (i.e. City SDHC, etc)	Status (Current, delinquent, repaid, etc.)	Dollar Amount

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

☐ Yes ☒ No

If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

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

☐ Yes ☒ No

If yes, please explain: \_\_\_\_\_



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

1. Name: Rick Allgire, Algire General Contractor  
Address: 3278 Grey Hawk Court  
Phone: 760-477-8455  
Project Name and Description: Nook East Village, Nook on Valdez
2. Name: Debbie Ruane, Norwood Development  
Address: \_\_\_\_\_  
Phone: 619-992-8844  
Project Name and Description: Nook East Village, Various Past Development and Consulting Proj
3. Name: Matt Grosz, Redstone Equity Partners  
Address: \_\_\_\_\_  
Phone: 619-535-3903  
Project Name and Description: One Mississippi, Cordova Trolley Rehabs

39. Provide a brief statement regarding equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.  
Each of the principals involved in the transaction of have been involved in affordable and multi-family housing construction for close to 15 years. The team has been responsible for the development of over 550 multifamily housing units over the last nine years.  
and principal owners) and has extensive experience in tax credit and tax exempt bond financing.

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

Name	Experience
TBD	



**CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR**

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

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

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

Executed this 29<sup>th</sup> day of March, 20 23, at San Diego, California.

CONTRACTOR

By: [Signature]  
Signature

Manager  
Title



SAN DIEGO  
HOUSING  
COMMISSION

Real Estate Department

**CERTIFICATION**

The CONTRACTOR, Rise 8th Ave 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: Robert W. Morgan

By: \_\_\_\_\_

Title: Manager

Title: \_\_\_\_\_

Dated: 3/29/23

Dated: \_\_\_\_\_

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

**JURAT**

State of California

County of San Diego

Subscribed and sworn to (or affirmed) before me on this 29<sup>th</sup> day of March, 20 23

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

Signature of Notary

SEAL

