



## EXECUTIVE SUMMARY

MEETING DATE: March 15, 2024

HCR24-034

SUBJECT: Loan Recommendation for Kindred Apartments

COUNCIL DISTRICT: 3

ORIGINATING DEPARTMENT: Real Estate Division

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

### REQUESTED ACTION:

Approve a proposed residual receipts loan in an amount not to exceed \$7,955,600 to Kindred Cortez Hill LP, a California limited partnership, to facilitate the acquisition and new construction of Kindred Apartments, a development at 1501 Sixth Ave., in the Downtown Community Plan Area, which will consist of 125 units that will remain affordable for 55 years. Of the development's 126 total units, 59 units will be reserved as permanent supportive housing units for seniors aged 55 and older who experienced homelessness with income up to 30% of San Diego's Area Median Income (AMI), 66 units will be reserved for families earning 30% to 60% of AMI, and one unit will be an unrestricted manager's unit.

### EXECUTIVE SUMMARY OF KEY FACTORS:

- The proposed development will include permanent supportive housing (PSH) and non-PSH units.
- In response to the Housing Commission's Fiscal Year (FY) 2022 and 2023 Notices of Funding Availability, BRIDGE Housing Corporation (BHC) submitted applications for a loan and federal Project-Based Housing Vouchers (PBVs) for the development.
- Subject to the Housing Commission Board approval, Housing Commission staff provided preliminary recommendations for a residual receipts loan not to exceed \$7,955,000, 59 PSH PBVs and 25 Non-PSH PBVs.
- The development will consist of 89 one-bedroom, 19 two-bedroom and 17 three-bedroom affordable apartments and one unrestricted, three-bedroom manager's unit.
- Unit amenities will include: a refrigerator, a stove/oven, a garbage disposal, window coverings, heating and air conditioning, and dishwasher.
- Site amenities will include: a central laundry facility, a courtyard for the family population with a children's play area, seating and a barbecue, and a courtyard for the senior population with a barbecue and community planters.
- PSH voucher residents will be identified through the Coordinated Entry System (CES), while Non-PSH voucher tenants will be selected from the Housing Commission's PBV wait list.
- Supportive Services for the 59 PSH units will be provided by the federally funded St. Paul's Program of All-Inclusive Care for the Elderly (PACE) program. St. Paul's Senior Services will act as a secondary service provider for case management services for seniors in PSH.
- Project Access will provide resident services for residents of all family units.
- The estimated total development cost is \$90,122,496 (\$715,258/unit).
- The per-unit cost is higher than is typical of multifamily rental housing because of various factors, including: interest rates higher than one to two years ago; volatility in the insurance market that increased insurance costs; increased contingency budget due to increasing interest and construction costs; prevailing wages; and commercial space due to mixed-use zoning. The Housing Commission loan will not be used for the commercial space.



## REPORT

**DATE ISSUED:** March 7, 2024

**REPORT NO:** HCR24-034

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of March 15, 2024

**SUBJECT:** Loan Recommendation for Kindred Apartments

**COUNCIL DISTRICT:** 3

*Advance notice of San Diego Housing Commission Hearing of the following matter has been provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A)-(B) for Staff Recommendations No. 1.*

### **REQUESTED ACTIONS**

Approve a proposed residual receipts loan in an amount not to exceed \$7,955,600 to Kindred Cortez Hill LP, a California limited partnership, to facilitate the acquisition and new construction of Kindred Apartments, a development at 1501 Sixth Ave., in the Downtown Community Plan Area, which will consist of 125 units that will remain affordable for 55 years. Of the development's 126 total units, 59 units will be reserved as permanent supportive housing units for seniors aged 55 and older who experienced homelessness with income up to 30% of San Diego's Area Median Income (AMI), 66 units will be reserved for families earning 30% to 60% of AMI, and one unit will be an unrestricted manager's unit.

### **STAFF RECOMMENDATIONS**

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

- 1) Approve a proposed residual receipts loan in an amount not to exceed \$7,955,600 to Kindred Cortez Hill LP, a California limited partnership, to facilitate the acquisition and new construction of Kindred Apartments, a development at 1501 Sixth Ave., in the Downtown Community Plan Area, which will consist of 125 units that will remain affordable for 55 years. Of the development's 126 total units, 59 units will be reserved as permanent supportive housing units for seniors aged 55 and older who experienced homelessness with income up to 30% of San Diego's Area Median Income (AMI), 66 units will be reserved for families earning 30% to 60% of AMI, and one unit will be an unrestricted manager's unit.

The Housing Commission's proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission General Counsel's approval.

- 2) Authorize the President and Chief Executive Officer (President & CEO), or designee, to:
  - a. Execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by the General Counsel, and to take such actions as are

necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

- b. To adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$7,955,600 maximum loan amount may not increase.
- c. Substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the Interim President & CEO, or designee, to take such actions as are necessary, convenient, and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of the General Counsel.

**SUMMARY**

**Table 1 –Development Details**

Address	1501 Sixth Ave.
Council District	3
Community Plan Area	Downtown Community Plan Area
Developer	BRIDGE Housing Corporation (BHC)
Development Type	New construction
Construction Type	Three levels of Type I parking, with five stories of Type III new construction on top.
Parking Type	79 parking stalls on the first three levels
Local Amenities	<p><u>Mass Transit:</u> Fifth Avenue and Beech Street Bus Stop (407 feet from the property)</p> <p><u>Grocery:</u> Ralphs (0.8 mile from the property)</p> <p><u>Schools:</u> Washington Elementary School (0.6 mile from the property) Roosevelt International Middle School (1.9 mile from the property) King-Chavez Community High School (0.3 mile from the property)</p>
Housing Type	Multifamily Seniors (59 units) and Family (66 units).
Accessibility	Wheelchair accessibility in 15 percent of the units, and 10 percent of the units accessible to residents with visual and/or hearing impairment.
Lot Size	Two parcels totaling 0.692 acres, 30,145 square feet
Units	126 (125 units restricted/affordable)
Density	182 dwelling units per acre (126 units ÷ 0.692 acres)
Unit Mix	125 affordable rental units: 89 one-bedrooms, 19 two-bedrooms, 17 three-bedrooms, and 1 three-bedroom unrestricted manager’s unit.
Gross Building Area	166,332 square feet.
Net Rentable Area	88,556 square feet.
Project Based Housing Vouchers (PBV)	84 PBVs (59 permanent supportive housing [PSH] units for senior experiencing homelessness)

	(25 Non-PSH units for families not experiencing homelessness).
Affordable Units in Service by Council District	Council District 3 includes 8,353 affordable rental housing units currently in service, which represents 33 percent of the 25,342 affordable rental housing units in service citywide.

The Development

Kindred Apartments (Kindred) is a proposed 126-unit, new construction, affordable housing development for seniors and families with both permanent supportive housing (PSH) and non-PSH units. The development will be at 1501 Sixth Ave. in San Diego’s Downtown Community Plan Area (Attachment 1 – Site Map). Kindred will include 89 one-bedroom, 19 two-bedroom and 17 three-bedroom affordable apartments and one unrestricted, three-bedroom manager’s unit. Unit amenities will include: a refrigerator, a stove/oven, a garbage disposal, window coverings, heating and air conditioning, and dishwasher. Site amenities will include: a central laundry facility, a courtyard for the family population with a children’s play area, seating and a barbecue, and a courtyard for the senior population with a barbecue and community planters. The building will employ five stories of type III construction over three stories of type I parking (79 stalls) as well as 4,580 square feet of commercial space, the use of which is still being determined.

Services

The Housing Commission has provided a preliminary award recommendation of 84 Project-Based Housing Vouchers (PBVs), including PBVs for 59 one-bedroom PSH units for seniors experiencing homelessness with income up to 30 percent of AMI, and PBVs for 25 Non-PSH units for families with income up to 40 percent of AMI. PSH voucher residents will be identified through the Coordinated Entry System (CES), while Non-PSH voucher tenants will be selected from the Housing Commission’s PBV wait list. Supportive Services for the 59 PSH units will be provided by the federally funded St. Paul’s Program of All-Inclusive Care for the Elderly (PACE) program and will include comprehensive medical, dental, mental health, and social programming. St. Paul’s Senior Services will act as a secondary service provider for case management services for seniors in PSH. Project Access will provide resident services for residents of all family units, with a focus on nutrition education, social connection, exercise and financial literacy.

Kindred residents will have access to a range of dedicated PSH and general community services. Depending on client need, these services could include case management, crisis counseling, ongoing mental health care peer support, links to other mental or dental care, enrollment in Medi-Cal or other public assistance, and training workshops teaching cooking, unit maintenance, money management, and other life skills.

All residents will have access to a range of organized community activities, including social events and celebrations, health and wellness classes, and financial education.

Developer’s Request

In response to the Housing Commission’s Fiscal Year (FY) 2022 and 2023 Notices of Funding Availability (NOFA), BRIDGE Housing Corporation (BHC) submitted applications for a loan and federal PBVs for the Kindred development. Subject to the Housing Commission Board approval, Housing Commission staff provided preliminary recommendations for the following:

1. January 21, 2022 - Residual receipts loan up to \$4,705,600.
2. April 7, 2023 – 25 Non-PSH PBVs.
3. May 11, 2023 – Residual Receipts Loan up to \$3,250,000 and 59 PSH PBVs.

The total anticipated development cost for Kindred is \$90,122,496 (\$715,258/unit). Kindred will be financed with 4 percent federal low-income housing tax credits (LIHTC), Multifamily Housing Revenue Bonds, State LIHTC, investor equity, deferred developer fee/general partner equity, Housing Commission loan, Housing Commission PBVs, County of San Diego Innovative Housing Trust Fund (IHTF) funding, and a conventional permanent loan as described in this report.

### The Property

Kindred represents a concept that was selected by the County of San Diego in October 2018 through a Request for Proposals (RFP) process for the former site of the family courthouse in the Cortez Hill neighborhood of downtown San Diego. BHC executed an Exclusive Negotiation Agreement with the County in January 2019 to enter into a ground lease. Subsequently, in September 2019, a Disposition and Development Agreement was executed. The development was put on hold by the County until January 1, 2020, as the existing buildings were requested to be used as a temporary shelter for immigrants seeking asylum. The County demolished the existing courthouse buildings later in 2020 and delivered the 0.962-acre vacant lot to BHC for due diligence on December 10, 2020. Once the site was delivered, BHC started the design process, confirmed that the development was “by right” and not subject to discretionary review, and began making funding applications.

### Appraisal

An appraisal of the subject site with an effective date of October 25, 2022, valued the property at \$6,800,000. The appraisal was obtained by the developer and was conducted by Novogradac.

### Prevailing Wages

Kindred’s proposed use of 84 U.S. Department of Housing and Urban Development PBVs, which the Housing Commission administers, will require the project to pay prevailing wages.

### Project Sustainability

Kindred will be constructed in conformance with the California Tax Credit Allocation Committee’s (CTCAC) minimum energy efficiency standards. The developers will achieve a minimum GreenPoint-Rated Silver or equivalent certification. Planned green features include energy-efficient appliances and water-saving volatile organic compound (VOC) paints. Landscape architecture will be designed using drought-tolerant and native plants.

### Accessibility

CTCAC requires wheelchair accessibility in 15 percent of the units, and 10 percent of the units accessible to residents with visual and/or hearing impairment. The same units can satisfy both accessibility requirements. The Kindred units will be accessible in accordance with the Americans with Disabilities Act and Section 504. If HOME funds are used to fund the development, these accessible units will satisfy the HOME accessibility requirement in 5 percent of the units, plus an additional 2 percent of the units accessible for residents with visual and/or hearing impairment.

Relocation

The lot is currently vacant land. No residents need to be relocated. No relocation plan is necessary.

Development Team

The developer is BHC. The proposed borrower will be Kindred Cortez Hill LP, which will have Kindred Cortez Hill LLC as its General Partner and a to-be-determined tax credit investor limited partner (Attachment 2). As one of the largest 501(c)(3) nonprofit developers and owners of affordable and workforce housing on the West Coast, BHC brings a 40-year successful track record of building high-quality affordable and mixed-income housing together with local partners. Since 1983, BRIDGE has successfully completed the financial closings on 187 projects, each involving different types and combinations of financing.

BHC has acted as the developer on previous affordable housing developments that utilized Housing Commission loans. BHC is in full compliance on its previous Housing Commission loans. Based upon the developer’s past experience and performance, Housing Commission staff has determined that the developer has the capacity to successfully complete the proposed Kindred Apartments development.

**Table 2 Development Team Summary**

<b>ROLE</b>	<b>FIRM/CONTACT</b>
Developer	BRIDGE Housing Corporation (BHC)
Owner/Borrower	Kindred Cortez Hill LP
Managing General Partner	Kindred Cortez Hill LLC
Administrative General Partner	N/A
Tax Credit Investor Limited Partner	To be determined
Architect	AVRP
General Contractor	To be determined
Property Management	Bridge Property Management Corporations
Construction and Permanent Lender	To be determined
Tenant Services Providers	St. Paul’s PACE – Lead PSH Service Provider. St. Paul’s Senior Services – Secondary PSH Service Provider. Project Access – Lead Service Provider for family units.

Property Management

Kindred will be managed by Bridge Property Management Corporation (BPMC). Established in 1988, BPMC manages a portfolio of approximately 13,500 units in more than 126 BRIDGE developments. BPMC has a proven track record of managing properties with complex regulatory requirements, including set-asides for special populations, a range of rental tiers and layered subsidy programs such as low-income housing tax credits, tax-exempt bonds, HOME, Community Development Block Grants (CDBG), Housing Opportunities for Persons with AIDS (HOPWA), Section 8, Federal Home Loan Bank Affordable Housing Program, California Multifamily Housing Program and other sources.

**FINANCING STRUCTURE**

Kindred has an estimated total development cost of \$90,122,496 (\$715,258/unit). Financing will include a combination of sources as described in Table 3. The developer’s pro forma is included as Attachment 3 and summarized in Table 3 below.

**Table 3 – Kindred Cortez Hill LP Estimated Permanent Sources and Uses**

<b>Financing Sources</b>	<b>Amounts</b>	<b>Financing Uses</b>	<b>Amounts</b>	<b>Per Unit</b>
CalFHA Bond Financed Permanent Loan	\$17,773,000	Land Acquisition & Closing	\$20,000	\$159
Housing Commission Proposed Loan	7,955,600	Design & Engineering	3,969,820	31,507
County of San Diego IHTF	4,000,000	Legal / Financial / Consultants	407,500	3,234
Accrued Deferred Interest County of San Diego	197,412	Permits & Fees	2,761,689	21,918
Deferred Developer Fee	7,959,601	Construction Costs	54,510,839	432,626
Federal Tax Credit Equity	39,195,000	Financial Costs	7,857,727	62,363
State Tax Credit Equity	13,041,000	Marketing / Administrative	2,280,000	18,095
		Developer’s Fee	10,979,601	87,140
		Hard Cost Contingency	5,451,084	43,263
		Soft Cost Contingency	601,801	4,776
		Reserves	1,282,435	10,178
<b>Total Development Cost</b>	<b>\$90,122,496</b>	<b>Total Development Cost</b>	<b>\$90,122,496</b>	<b>\$715,258</b>

The Housing Commission’s proposed \$7,955,600 residual receipts loan will be partly funded with the City of San Diego Affordable Housing Fund and partly funded with U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program (HOME) funds awarded to the City of San Diego, which the Housing Commission administers. The total amount of Housing Commission funding sources shall not exceed \$7,955,600. A final determination of Housing Commission funding sources will be made by the Housing Commission’s President and CEO, or designee, contingent upon budget availability. The proposed loan terms are summarized in Attachment 4.

The Housing Commission requires affordable housing developers to pursue all viable sources of funding to reduce the financing gap and amount of Housing Commission subsidy required. If other funding is secured, proceeds will first be used to make an adjustment to reduce the Housing Commission’s loan.

Developers’ Fee

\$10,979,601 – Gross developer fee  
 - 7,959,601 – Minus deferred developer fee  
 \$ 3,020,000 – Net cash developer fee

The proposed developer fee complies with the Housing Commission’s developer fee guidelines.

Development Cost Key Performance Indicators

Housing Commission staff has identified development cost performance indicators that are used to evaluate proposed developments and make a funding recommendation. The key performance indicators listed in Table 4 are commonly used by real estate industry professionals and affordable housing developers.

**Table 4 – Key Performance Indicators**

Development Cost Per Unit	\$90,122,496 / 126 units	\$715,258
Housing Commission Subsidy Per Unit	\$7,955,600 / 126 units	\$60,759
Acquisition Cost Per Unit	\$20,000 / 126 units	\$159
Gross Building Square Foot Hard Cost	\$59,961,923 / 166,332 square feet	\$360
Net Rentable Square Foot Hard Cost	\$59,961,923 / 88,556 square feet	\$677

The total hard cost of \$59,961,923 includes costs from residential and commercial (4,580 square feet) construction.

When the commercial space is removed from the project’s total development cost, the cost per unit decreases to \$703,285. The proposed Housing Commission loan funds will not be used as a source for the commercial/retail spaces. When consolidating the residential and commercial space, the total per unit cost is \$715,258.

Kindred’s cost per unit is higher than is typical of multifamily rental housing because of various factors, including:

- While interest rates are beginning to decline as a whole, they are still significantly higher than one to two years ago.
- Necessary increase in the contingency budget to compensate for increasing interest and construction costs.
- The project requires paying the higher of federal or state prevailing wage rates as a result of the PBVs and funding sources for the development.
- Volatility in the insurance market has increased the insurance costs.
- Due to the mixed-use zoning, the Kindred design will include commercial space.

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 – Kindred</b>	<b>2024</b>	<b>126</b>	<b>\$90,122,469 (with prev. wage)</b>	<b>\$715,258</b>	<b>\$60,759</b>	<b>\$360</b>
Rancho Bernardo Transit Village	2023	100	\$90,943,122 (with prev. wage, commercial component)	\$909,431	\$0	\$331
Modica	2023	94	\$58,165,819 (w/o prev. wage)	\$618,785	\$31,915	\$378
Cortez Hill	2023	88	\$44,138,657 (with prev. wage)	\$501,576	\$56,818	\$514

**MULTIFAMILY HOUSING REVENUE BONDS ISSUANCE**

The California Housing Finance Agency (CalHFA) will be the tax-exempt bonds issuer for Kindred, as the project intends to apply for recycled bonds. On October 5, 2021, the Housing Commission received authorization to enter into a Memorandum of Understanding between City of San Diego, the Housing Commission, the Housing Authority and CalHFA to participate in a tax-exempt bond recycling program.

As a result, the developer will apply with CalHFA as bond issuer on April 23, 2024, with recycled bonds as a proposed source.

**AFFORDABLE HOUSING IMPACT**

**Project-Based Housing Vouchers (PBV)**

The Housing Commission has provided a preliminary award recommendation of 84 PBVs for Kindred, which are for seniors experiencing homelessness with income up to 30 percent of AMI and families with low income up to 40 percent of AMI who are not experiencing homelessness.

The recommendation for these vouchers is contingent upon additional items, including, but not limited to, completion of a subsidy layering review, execution of an Agreement to Enter into Housing Assistance Payment and verification of services. Under the PBV program, the tenant’s rent portion is determined by using the applicable minimum rent or a calculated amount based on their income level, whichever is higher, with the remainder being federally subsidized up to a gross rent level approved by the Housing Commission. The Housing Assistance Payment provides a rental subsidy for residents in Kindred’s 84 voucher-assisted units. The PBV units range from one to three bedrooms. The Non-PSH households with low income will be selected from the Housing Commission’s PBV Wait List. The seniors experiencing homelessness who will be assisted by PSH PBVs will be identified through the Coordinated Entry System (CES). Supportive Services for the 59 PSH units will be provided by the St. Paul’s PACE program. Services will include comprehensive medical, dental, mental health, and social programming. For those residents who do not qualify for PACE, St. Paul’s Senior Services will act as a secondary provider. Project Access, the lead service provider for the family population, will provide resident services to all units with a focus on nutrition education, social connection, exercise and financial literacy.

**Affordability**

The Kindred will be subject to a Housing Commission Declaration of Covenants and Restrictions, in addition to applicable tax credit agreements, which will restrict affordability of 125 units for 55 years.

The rent and occupancy restrictions required by the Housing Commission, CTCAC and other lenders and investors will apply. The same units may be counted as the tax credit restricted units and the Housing Commission loan’s restricted units. The more stringent of the funding sources’ affordability/rent restrictions will take precedence during the term of their applicability.

**Table 6 Affordability and Monthly Estimated Rent Table**

<b>Unit Type</b>	<b>AMI</b>	<b>Units</b>	<b>CTCAC Gross Rents</b>
One Bedroom	30% (Currently \$33,100 for a two-person household)	59	\$775
One Bedroom	40% (Currently \$44,100 for a two-person household)	18	\$1,034
One Bedroom	50% (Currently \$55,150 for a two-person household)	7	\$1,292
One Bedroom	60% (Currently \$66,180 for a two-person household)	5	\$1,551
<b>Subtotal One-Bedroom Units</b>	<b>--</b>	<b>89</b>	
Two Bedroom	30% (Currently \$37,250 for a three-person household)	2	\$930
Two Bedroom	40% (Currently \$49,600 for a three-person household)	3	\$1,241

Two Bedroom	50% (Currently \$62,050 for a three-person household)	2	\$1,551
Two Bedroom	60% (Currently \$74,460 for a three-person household)	12	\$1,861
<b>Subtotal Two-Bedroom Units</b>	--	<b>19</b>	
Three Bedroom	30% (Currently \$41,350 for a four-person household)	2	\$1,075
Three Bedroom	40% (Currently \$55,100 for a four-person household)	1	\$1,433
Three Bedroom	50% (Currently \$68,900 for a four-person household)	3	\$1,791
Three Bedroom	60% (Currently \$82,680 for a four-person household)	11	\$2,150
<b>Subtotal Three-Bedroom Units</b>	--	<b>17</b>	
Manager's three-bedroom unit	--	<b>1</b>	-
<b>Total Units</b>	--	<b>126</b>	-

**FISCAL CONSIDERATIONS**

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

Estimated funding sources approved by this action will be as follows:

- City of San Diego Affordable Housing Fund and/or federal HOME funds- \$7,955,600
- **Total Funding Sources – up to \$7,955,600**

Estimated funding uses approved by this action will be as follows:

- Loans – up to \$7,955,600
- **Total Funding Uses – up to \$7,955,600**

Approving this action will further grant the President and CEO, or designee, the authority to substitute the above funding sources with other available funding sources so long as the total Housing Commission loan amount does not exceed the approved total loan amount, should the operational need arise or should such actions be to the benefit of the Housing Commission.

**Development Schedule**

The estimated development timeline is as follows:

<b>Milestones</b>	<b>Estimated Dates</b>
<ul style="list-style-type: none"> <li>• California Debt Limit Allocation Committee (CDLAC) application due date</li> <li>• CDLAC allocation date</li> <li>• Estimated escrow/loan closing</li> <li>• Start of construction work</li> <li>• Completion of construction work</li> </ul>	<ul style="list-style-type: none"> <li>• April 23, 2024</li> <li>• August 7, 2024</li> <li>• February 2025</li> <li>• February 2025</li> <li>• November 2026</li> </ul>

**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 July 19, 2023, BRIDGE presented the proposed development as an informational item to the Downtown Community Planning Group.

**KEY STAKEHOLDERS & PROJECTED IMPACTS**

Stakeholders include BRIDGE as the developer, St. Paul’s PACE as the service provider, the County of San Diego as a funder and ground lease lessor, the Housing Commission as a lender, CalHFA as the bond issuer, the Downtown Community Planning Group. The project is anticipated to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and create 125 new, affordable rental homes for San Diego’s seniors experiencing homelessness and working families.

**STATEMENT FOR PUBLIC DISCLOSURE**

The developer’s Disclosure Statement is at Attachment 5.

**EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE**

BRIDGE is committed to equity and inclusion as both an employer and a service provider. The Housing Commission includes a requirement in the NOFA for prospective applicants to include a narrative and specific examples of activities and initiatives that support equity assurance. BRIDGE demonstrates a commitment to advancing diversity, equity and inclusion (DEI) through project design and operational policies throughout the proposed project timeline.

**ENVIRONMENTAL REVIEW**

The proposed activity to approve a proposed residual receipts loan to facilitate the acquisition and new construction of Kindred Apartments, has been reviewed for consistency with and is covered in the 2006 Final Environmental Impact Report (FEIR) for the Downtown Community Plan, Centre City Planned District Ordinance and 10th Amendment to the Centre City Redevelopment Plan (SCH No. 2003041001) which was adopted by City Council Resolution No. R-04001 on February 28, 2006. 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. The provision of any federal funds as the result of this action is conditioned on the City of San Diego’s final NEPA review and approval.

Respectfully submitted,

*Jennifer Kreutter*

Jennifer Kreutter  
Vice President, Multifamily Housing Finance  
Real Estate Division

Approved by,

*Jeff Davis*

Jeff Davis  
Deputy Chief Executive Officer  
San Diego Housing Commission

March 7, 2024

Loan Recommendation for Kindred Apartments

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- Attachments:
1. Site Map
  2. Organization Chart
  3. Developers' Project Pro Forma
  4. Proposed Loan Terms
  5. Developer's Disclosure Statement

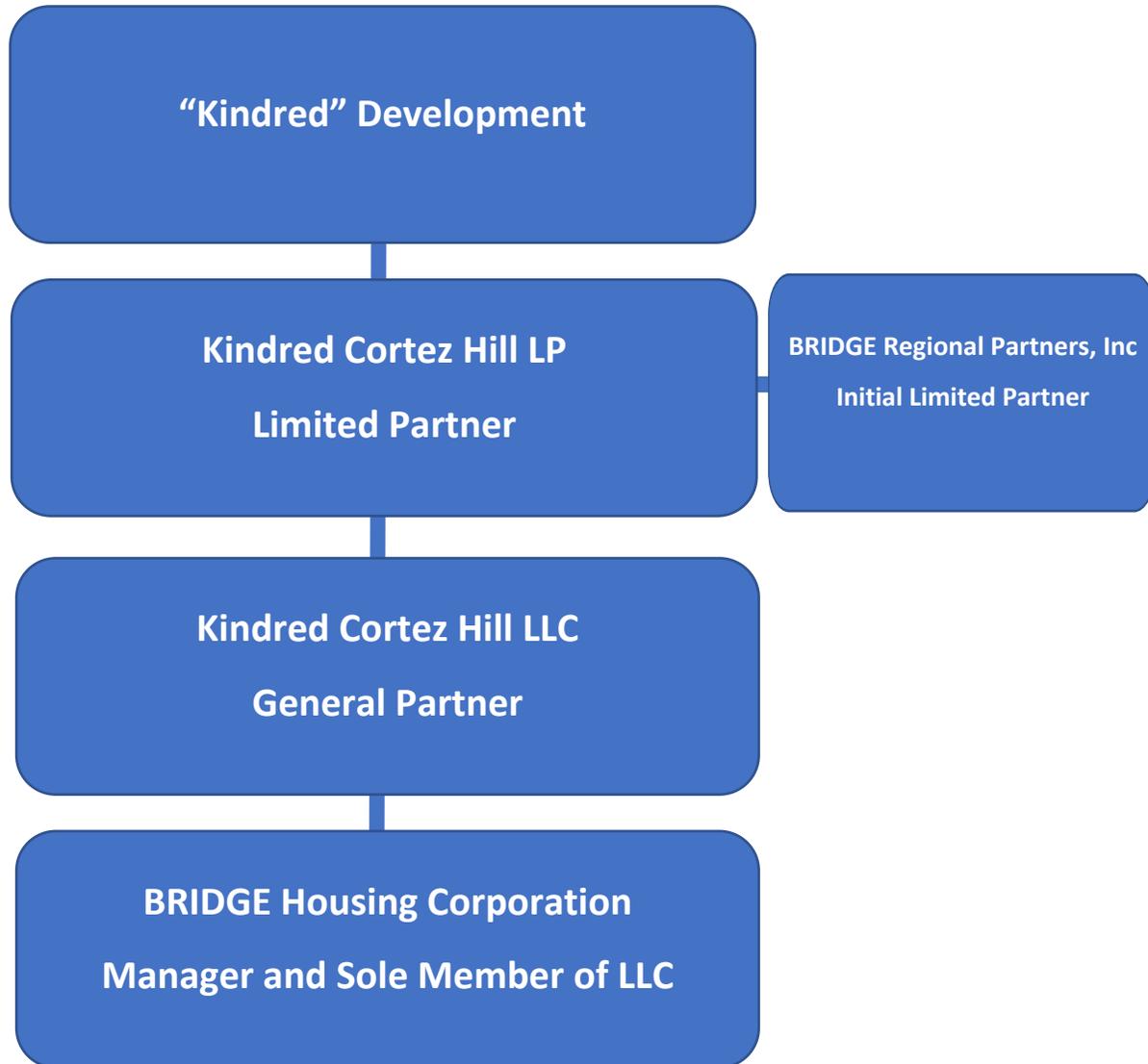
Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101. Docket materials are also available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission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

# Attachment #1 – Site Map



## Partnership Organizational Chart

The project will be owned by a single Limited Partnership, Kindred Cortez Hill LP. Kindred Cortez Hill LLC, the General Partner for the LP, is a BRIDGE affiliated Limited Liability Corporation (LLC). The Initial Limited Partner, BRIDGE Regional Partners, Inc., will be replaced by the Investor Limited Partner at closing. BRIDGE Housing Corporation is the sole member and manager of the LLC.



<b>Prepared For:</b>	BRIDGE Housing
<b>Prepared By:</b>	California Housing Partnership Corporation
<b>Version:</b>	2.01 CDLAC
<b>Revised:</b>	2/2/2024
<b>Filename:</b>	Kindred 2.01 CDLAC 020224.xlsm

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**SOURCES OF FUNDS - PERMANENT**

	AMOUNT	TOTAL INTEREST COST	OID INTEREST RATE	AMORT (Yr)	COMMENTS
Permanent Loan	17,773,000	6.704%		35.0	<i>Total Permanent Debt: 17,773,000</i>
SDHC PSH	3,250,000	4.000%	2.137%	55.0	<i>Term - 35 (yrs.) ex - 10Y Swap - 3.638% Spread - 190 bps</i>
SDHC	4,705,600	4.000%	2.137%	55.0	<i>Per Unit: 25,794</i>
County of San Diego IHTF	4,000,000	4.000%	2.137%	55.0	<i>Per Unit: 37,346</i>
Accrued Deferred Interest - County of	197,412				<i>Per Unit: 31,746</i>
Donated Land	0				
Deferred Developer Fee	7,959,601	0.000%	0.000%		<i>Priority 7,959,601 Non-Priority 0</i>
Capital Contributions					
General Partner (Developer Fee)	0				<i>Total LP capital includes release of bond collateral funded during construction</i>
GP Capital - Sponsor	0				<i>Synd Costs 227,500</i>
GP Capital - [INSERT]	0				<i>Net Equity for TCAC 52,009,383</i>
Limited Partners	52,236,883				<i>Fed LIHTC: \$0.91 State LIHTC: \$0.80</i>
<b>TOTAL SOURCES</b>	<b>90,122,496</b>				
<i>Surplus/(Shortfall)</i>	<i>(0)</i>				

PERMANENT LOAN INTEREST RATE	TRANCHE A	TRANCHE B	INVESTOR EQUITY STACK	OTHER ASSUMPTIONS	
Base Rate	5.538%	5.538%	LIHTC Equity (Federal+State)	52,236,883	Current AFR: 3.79%
Cushion	1.150%	1.150%	Historic Tax Credit	0	AFR Month: Jun-23
MIP	0.000%	0.000%	Investment Tax Credit (Solar)	0	AFR Cushion: 0.00%
GNMA/Servicing	0.000%	0.000%	<b>Subtotal LP Equity</b>	<b>52,236,883</b>	<b>Total U/W AFR: 3.79%</b>
Issuer	0.005%	0.005%			
Trustee	0.011%	0.000%			
Rating	0.000%	0.000%	CA Certificated Credit Sale	0	
Remarketing	0.000%	0.000%	<b>Total Investor Equity</b>	<b>52,236,883</b>	
Rebate Analyst	0.000%	0.000%			
<b>Total</b>	<b>6.704%</b>	<b>6.693%</b>			

**SOURCES OF FUNDS - CONSTRUCTION**

	AMOUNT	INTEREST RATE	TERM (Mos.)	COMMENTS
Tax-Exempt Construction Loan	44,624,380	7.200%	30	
CalHFA Recycled Bonds Loan	17,602,279	7.700%	30	
SDHC PSH	2,925,000	4.000%	30	
SDHC	4,235,040	4.000%	30	
County of San Diego IHTF	3,600,000	4.000%	30	
Accrued Deferred Interest - County of	197,412			
Donated Land	0			
Costs Deferred Until Conversion	3,755,095			<i>See page 2 - right column</i>
Deferred Developer Fee	7,959,601			
Capital Contributions				
Limited Partners*	5,223,688			<b>Total Equity During Const. 5,223,688 10.00%</b>
<b>TOTAL SOURCES</b>	<b>90,122,496</b>			<i>Syndication Costs 227,500</i>
<i>Surplus/(Shortfall)</i>	<i>0</i>			<i>Net Equity for TCAC 4,996,188</i>
Sources Less Deferred To Conversion:	86,367,401			

CONSTRUCTION LOAN INTEREST RATE	CONSTRUCTION LOAN VALUATION	TAX-EXEMPT BOND DATA
Index Type: SOFR	Restricted NOI	50% Test (see Page 7): 53.00%
Current Index: 5.05%	OAR	50% Test Cushion: 2,525,909
Spread: 1.40%	FMV per NOI	Issuer Inducement: TBD
Base Interest Rate (not including cust	Agg. Credit Value @ 0.8797	CDLAC Allocation: TBD
Cushion - Total	Perm-Only Soft Debt	Percent of CDLAC Allocator
<b>Interest Rate (All-In) 7.20%</b>	Total Value	Const-only portion: 26,851,380
	LTV: 85.00%	CDLAC Per-Unit Limit
	Max. Const. Loan Amount	CDLAC 55% Limit
	Commitment Amount	50% Test Target
		Target Limit

<b>Uses of Funds</b>	Version: 2.01 CDLAC
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	Res Cost Res Sq Foot:	100.00% 95.12%		COST ALLOCATIONS Assuming 266 Election? No				LIHTC ELIGIBLE BASIS		OTHER BASIS & COST ALLOCATIONS				
		Total	Total Non-Residential	Depreciable			Constr./Rehab	Acquisition	Deferred to Completion or Perm Conv.	Land/Basis for 50% Test	Historic Rehab Tax Credit Basis	ITC Tax Credit Basis (Solar PV)		
				Residential	Non-Residential	Residential							Non-Residential	Expensed
<b>ACQUISITION COSTS</b>														
Total Purchase Price - Real Estate:														
0														
Land Holding Costs	20,000	159	19,023	977	20,000			0	0	20,000				
<b>HARD COSTS</b>														
<b>Total Construction Contract:</b>	<b>54,510,839</b>													
<b>NEW CONSTRUCTION</b>														
Hard Costs-Unit Construction	41,941,252	332,867	41,152,848	788,404	41,152,848	788,404		41,152,848	0	41,941,252	41,941,252			
Site Improvements/Landscape	4,018,760	31,895	4,018,760	0	4,018,760	0		4,018,760	0	4,018,760				
GC - General Conditions	3,491,997	27,714	3,491,997	0	3,491,997	0		3,491,997	0	3,491,997	3,491,997			
GC - Overhead & Profit	1,569,347	12,455	1,569,347	0	1,569,347	0		1,569,347	0	1,569,347	1,569,347			
GC - Insurance	479,738	3,807	479,738	0	479,738	0		479,738	0	479,738	479,738			
GC - Bond Premium	378,886	3,007	378,886	0	378,886	0		378,886	0	378,886	378,886			
Contingency - Escalation	2,630,859	20,880	2,502,363	128,496	2,502,363	128,496		2,502,363	0	2,630,859	2,630,859			
Contingency - Owner's Construction	5,451,084	43,263	5,343,181	107,903	5,343,181	107,903		5,343,181	0	5,451,084	5,451,084			
<b>REHAB</b>														
<b>SOFT COSTS</b>														
Architecture - Design	2,550,000	20,238	2,499,523	50,477	2,499,523	50,477		2,499,523	0	2,550,000	2,550,000	0		
Architecture - Supervision	245,000	1,944	233,034	11,966	233,034	11,966		233,034	0	245,000	245,000	0		
Design/Engineering - Energy Efficiency	50,000	397	47,558	2,442	47,558	2,442		47,558	0	50,000	50,000	0		
Design/Engineering - Civil	242,100	1,921	230,275	11,825	230,275	11,825		230,275	0	242,100	242,100	0		
Design/Engineering - EBM	40,000	317	38,046	1,954	38,046	1,954		38,046	0	40,000	40,000	0		
Design/Engineering - Acoustical Engineering	28,000	222	26,632	1,368	26,632	1,368		26,632	0	28,000	28,000	0		
Geotech/Soils/Archaeology Report	42,800	340	42,800	0	42,800	0		42,800	0	42,800	42,800	0		
Special Inspections/Testing	250,000	1,984	250,000	0	250,000	0		250,000	0	250,000	250,000	0		
Environmental Consulting	25,000	198	25,000	0	25,000	0		25,000	0	25,000	25,000	0		
Prevailing Wage Monitor	30,000	238	30,000	0	30,000	0		30,000	0	30,000	30,000	0		
LEED / HERS Rater	100,000	794	100,000	0	100,000	0		100,000	0	100,000	100,000	0		
Consultant: Other	178,500	1,417	178,500	0	178,500	0		178,500	0	178,500	178,500	0		
Consultant: Utility	63,420	503	63,420	0	63,420	0		63,420	0	63,420	63,420	0		
Local Development Impact Fees	2,311,689	18,347	2,311,689	0	2,311,689	0		2,311,689	0	2,311,689	2,311,689	0		
Local Permits/Fees	350,000	2,778	350,000	0	350,000	0		350,000	0	350,000	350,000	0		
Utility Connection Fees	100,000	794	100,000	0	100,000	0		100,000	0	100,000	100,000	0		
Security During Const	225,000	1,786	225,000	0	225,000	0		225,000	0	225,000	225,000	0		
Real Estate Taxes During Const	75,000	595	71,337	3,663	71,337	3,663	0	71,337	0	75,000	75,000	0		
Insurance During Const	1,000,000	7,937	951,158	48,842	951,158	48,842		951,158	0	1,000,000	1,000,000	0		
Appraisal	20,000	159	20,000	0	20,000	0		20,000	0	20,000	20,000	0		
Market/Rent Comp Study	30,000	238	30,000	0	30,000	0		30,000	0	30,000	30,000	0		
Soft Cost Contingency	601,801	4,776	589,888	11,913	589,888	11,913		589,888	0	601,801	601,801	0		
Predev. Loan Interest/Fees	75,000	595	71,337	3,663	71,337	3,663		71,337	0	75,000	75,000	0		
Construction Loan Interest	5,351,700	42,712	5,118,849	262,851	3,081,496	158,234	2,141,970	3,081,496	0	3,239,730	3,239,730	0		
Construction Loan Interest - Tail	903,584	7,171	859,451	44,133	0	0	903,584	0	0	0	0	0		
Accrued Interest - County of San Diego IHTF	197,412	1,567	187,770	9,642	136,714	7,020	53,678	136,714	0	143,734	143,734	0		
Title/Recording/Escrow - Construction	50,000	397	47,558	2,442	47,558	2,442		47,558	0	50,000	50,000	0		
Title/Recording/Escrow - Permanent	10,000	79	9,512	488	0	0	10,000	0	0	0	0	0		
Legal (Owner): Construction Closing	60,000	476	58,812	1,188	58,812	1,188		58,812	0	60,000	60,000	0		
Permanent Closing	60,000	476	57,069	2,931	0	0	60,000	0	0	0	0	0		
Organization of Pinshp	7,500	60	7,500	0	0	0	7,500	0	0	0	0	0		
Syndication - LP	60,000	476	60,000	0	60,000	0		60,000	0	60,000	60,000	0		
Syndication Consulting	100,000	794	100,000	0	100,000	0		100,000	5,000	100,000	100,000	0		
Audit/Cost Certification	60,000	476	60,000	0	60,000	0		60,000	0	60,000	60,000	0		
TCAC Application/Res/Monitoring Fee	132,776	1,054	132,776	0	0	0	132,776	0	51,660	0	0	0		
Marketing	580,000	4,603	580,000	0	0	0	580,000	0	0	0	0	0		
Furnishings	475,000	3,770	475,000	0	0	0	0	0	0	475,000	475,000	0		
Capitalized Operating Reserve (3 mos.)	720,117	5,715	720,117	0	720,117	0		720,117	0	720,117	720,117	0		
Capitalized Services Reserve (12 mos.)	200,000	1,587	190,232	9,768	200,000	0		200,000	0	200,000	200,000	0		
HCD Pooled Reserve Fee	362,318	2,876	362,318	0	0	0	362,318	0	362,318	362,318	362,318	0		
Developer Fee	10,979,601	87,140	10,979,601	0	10,979,601	0		10,979,601	0	2,416,000	10,979,601	10,979,601	0	
<b>COSTS OF ISSUANCE</b>														
Bond Counsel	60,000	476	60,000	0	0	0	60,000	0	0	0	0	0		
Issuer Application Fee	5,000	40	5,000	0	0	0	5,000	0	0	0	0	0		
CalHFA Issuer Fee - Upfront	155,406	1,233	155,406	0	0	0	155,406	0	0	0	0	0		
CalHFA Issuer Fee - Annual During Const.	20,000	159	20,000	0	0	0	20,000	0	0	0	0	0		
Construction Lender Origination Fee	466,700	3,704	466,700	0	466,700	0	0	466,700	0	466,700	466,700	0		
Construction Lender Expenses	37,600	298	37,600	0	37,600	0	0	37,600	0	37,600	37,600	0		
Construction Lender Counsel	75,000	595	75,000	0	75,000	0	0	75,000	0	75,000	75,000	0		
Other Bond Fee: BRIDGE Interest	75,000	595	75,000	0	75,000	0	0	75,000	0	75,000	75,000	0		
Other Bond Fee: Bond Recycling Transaction Fee	25,000	198	23,779	1,221	12,372	635	11,992	12,372	0	13,008	13,008	0		
Permanent Lender Expenses	10,000	79	10,000	0	0	0	10,000	0	0	0	0	0		
Permanent Lender Counsel	30,000	238	30,000	0	0	0	30,000	0	0	0	0	0		
Permanent Loan Origination Fee	177,730	1,411	177,730	0	0	0	177,730	0	0	0	0	0		
Trustee Fee During Construction	8,000	63	8,000	0	0	0	8,000	0	0	0	0	0		
CDLAC Fee	16,819	133	16,819	0	0	0	16,819	0	0	0	0	0		
CDIAC Fee	5,000	40	5,000	0	0	0	5,000	0	0	0	0	0		
Subtotal - Financing/Costs of Issuance	1,167,255	9,264	1,166,034	1,221	0	666,672	635	0	499,947	666,672	0	667,308	667,308	
<b>TOTAL DEVELOPMENT COSTS</b>	<b>90,122,496</b>	<b>715,258</b>	<b>88,613,941</b>	<b>1,508,556</b>	<b>1,100,117</b>	<b>82,838,172</b>	<b>1,338,771</b>	<b>3,742,895</b>	<b>1,102,541</b>	<b>82,838,172</b>	<b>0</b>	<b>3,755,095</b>	<b>84,196,943</b>	<b>79,683,183</b>
TDC Per Unit														
715,258														
98.33%														
TDC Net of accrued interest:														
89,925,084														
TDC TCAC														
89,894,996														

## Developer Fee Calculation

Version: 2.01 CDLAC

### TCAC DEVELOPER FEE LIMITS

	ACQUISITION	CONSTRUCTION	COMMERCIAL	TOTAL
Eligible Basis less Developer Fee	0	71,858,571	1,338,771	
Percentage of Basis in Fee	15.00%	15.00%	15.00%	
Total Developer Fee per Basis Limits	0	10,778,786	200,816	10,979,601
Developer Fee Cap per Regulations				10,979,601
<b>Net Allowable Total Fee</b>				<b>10,979,601</b>
Base Cash Developer Fee Limit				2,500,000
Large Project Boost				520,000
BIPOC Boost				0
<b>Total Base Cash Fee Limit</b>				<b>3,020,000</b>
<b>Net Allowable Total Fee</b>				<b>10,979,601</b>
<b>Net Allowable Cash Fee</b>				<b>3,020,000</b>
<b>Fee Included in TCAC Application</b>				<b>10,979,601</b>

### OTHER APPLICABLE FEE LIMITS

	CASH FEE LIMIT	PRIORITY DDF LIMIT	TOTAL FEE LIMIT
Fee Limit per HCD	N/A	N/A	N/A
Fee Limit per Local 1	N/A	N/A	N/A
Fee Limit per Local 2	N/A	N/A	N/A
Fee Limit per Local 3	N/A	N/A	N/A
Fee Limit per Owner	3,020,000	7,959,601	10,979,601

### MOST RESTRICTIVE FEE LIMITS

Total Developer Fee Limit	10,979,601
Total Cash Fee Limit	3,020,000
Total Priority Deferred Fee Limit	7,959,601

### ALLOCATION OF DEVELOPER FEE

	ACQUISITION	CONSTRUCTION	TOTAL
Pct. of Potential Fee per Basis Limits	0.00%	100.00%	100.00%
Allocation of Total Developer Fee	0	10,979,601	10,979,601

### CASH DEVELOPER FEE BREAKOUT AND PAYMENT SCHEDULE

Total Developer Fee	10,979,601		
Total Cash Fee Paid	3,020,000		
Non-Cash Fee per Program Limits	7,959,601		
Non-Cash Fee per Funding Gap	0		
Total Non-Cash Fee	7,959,601		
	<b>AMOUNT</b>	<b>% OF CASH FEE</b>	<b>% OF TOTAL FEE</b>
Construction Close	604,000	20.00%	5.50%
Conversion	2,166,000	71.72%	19.73%
Final LP Pay-in 1	250,000	8.28%	2.28%
Final LP Pay-in 2	0	0.00%	0.00%
<b>Total Cash Fee</b>	<b>3,020,000</b>		
Plus: Priority Developer Fee	7,959,601		72.49%
<b>Total Developer Fee</b>	<b>10,979,601</b>		

<b>Unit Mix &amp; Rental Income</b>	Version: 2.01 CDLAC
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AVERAGE AFFORDABILITY FOR LIHTC UNITS (% of Median)	40.40%
9% TCAC INCOME TARGETING PTS:	50.00
RENT LIMITS AS OF YEAR:	2023

UTILITY ALLOWANCES	0BR	1BR	2BR	3BR	4BR	5BR
Kindred	-	98	131	168	-	-
0	-	-	-	-	-	-
0	-	-	-	-	-	-

**RESIDENTIAL INCOME**

LIHTC - Tier 1 <i>Kindred</i> TCAC 30% AMI % of Units: 50.40%										Section 8 SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	59	650	30.0%		775	677	677	39,943	479,316	59	2,311	1,634	96,406	1,156,872	1,636,188
2BR	2	800	30.0%		930	799	799	1,598	19,176	2	2,983	2,184	4,368	52,416	71,592
3BR	2	1,150	30.0%		1,075	907	907	1,814	21,768	2	4,213	3,306	6,612	79,344	101,112
<b>TOTAL</b>	<b>63</b>							<b>43,355</b>	<b>520,260</b>	<b>63</b>			<b>107,386</b>	<b>1,288,632</b>	<b>1,808,892</b>

LIHTC - Tier 2 <i>Kindred</i> TCAC 40% AMI % of Units: 17.60%										Section 8 SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	18	650	40.0%		1,034	936	936	16,848	202,176	18	2,311	1,375	24,750	297,000	499,176
2BR	3	800	40.0%		1,241	1,110	1,110	3,330	39,960	3	2,983	1,873	5,619	67,428	107,388
3BR	1	1,150	40.0%		1,433	1,265	1,265	1,265	15,180	0	4,213	2,948	0	0	15,180
<b>TOTAL</b>	<b>22</b>							<b>21,443</b>	<b>257,316</b>	<b>21</b>			<b>30,369</b>	<b>364,428</b>	<b>621,744</b>

LIHTC - Tier 3 <i>Kindred</i> TCAC 50% AMI % of Units: 9.60%										NOT SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	7	650	50.0%		1,292	1,194	1,194	8,358	100,296	0	0	0	0	0	100,296
2BR	2	800	50.0%		1,551	1,420	1,420	2,840	34,080	0	0	0	0	0	34,080
3BR	3	1,150	50.0%		1,791	1,623	1,623	4,869	58,428	0	0	0	0	0	58,428
<b>TOTAL</b>	<b>12</b>							<b>16,067</b>	<b>192,804</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>192,804</b>

LIHTC - Tier 4 <i>Kindred</i> TCAC 60% AMI % of Units: 22.40%										NOT SUBSIDIZED					
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent	Quantity of Subsidized Units	Per Unit Net Subsidy Rents	Per Unit Subsidy Increment	Total Monthly Subsidy	Total Annual Subsidy	Total Annual Income
1BR	5	650	60.0%		1,551	1,453	1,453	7,265	87,180	0	0	0	0	0	87,180
2BR	12	800	60.0%		1,861	1,730	1,730	20,760	249,120	0	0	0	0	0	249,120
3BR	11	1,150	60.0%		2,150	1,982	1,982	21,802	261,624	0	0	0	0	0	261,624
<b>TOTAL</b>	<b>28</b>							<b>49,827</b>	<b>597,924</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>597,924</b>

Staff Units - Site 1 <i>Kindred</i>									
Unit Type	Quantity	Unit Floor Area	Actual Rent TCAC AMI %	Actual Rent Other AMI %	Per Unit Monthly Gross Rent	Per Unit Regulatory Net Rent	Per Unit Actual Net Rent	Total Monthly Net Rent	Total Annual Net Rent
2BR	0	800	0.0%		0	0	0	0	0
3BR	1	1,150	0.0%		0	0	0	0	0
<b>TOTAL</b>	<b>1</b>							<b>0</b>	<b>0</b>

TOTAL RESIDENTIAL INCOME															
	Quantity	Total Monthly Net Rent	Total Annual Net Rent	Monthly Section 8 Income	Annual Section 8 Income	Monthly NA Income	Annual NA Income	Monthly Test C Income	Annual Test C Income	Monthly Test D Income	Annual Test D Income	Grand Total Income	Total Floor Area		
LIHTC	125	130,692	1,568,304	137,755	1,653,060	0	0	0	0	0	0	3,221,364	92,600		
Non-LIHTC	0	0	0	0	0	0	0	0	0	0	0	0	0		
Staff Units	1	0	0	0	0	0	0	0	0	0	0	0	1,150		
<b>TOTAL</b>	<b>126</b>	<b>130,692</b>	<b>1,568,304</b>	<b>137,755</b>	<b>1,653,060</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,221,364</b>	<b>93,750</b>		

MISCELLANEOUS INCOME			
	Per Unit Per Month	Monthly Total	Annual Total
Laundry / Vending	12.90	1,625	19,500
Other	0.00	0	0
Parking	0.00	0	0
<b>TOTAL</b>	<b>12.90</b>	<b>1,625</b>	<b>19,500</b>

SUBSIDIZED UNIT MIX SUMMARY						
Unit Type	Units With Section 8	Units With NA	Units With Test C	Units With Test D	Units Without Subsidy	Total Units
0BR	0	0	0	0	0	0
1BR	77	0	0	0	12	89
2BR	5	0	0	0	14	19
3BR	2	0	0	0	16	18
4BR	0	0	0	0	0	0
5BR	0	0	0	0	0	0
<b>TOTAL</b>	<b>84</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42</b>	<b>126</b>

SCATTERED SITE UNIT MIX SUMMARY												
LIHTC				Non-LIHTC				STAFF UNITS				
Unit Type	Kindred	Test 2	Test 3	Kindred	Test 2	Test 3	Kindred	Test 2	Test 3	Kindred	Test 2	Test 3
0BR	0	0	0	0	0	0	0	0	0	0	0	0
1BR	89	0	0	0	0	0	0	0	0	0	0	0
2BR	19	0	0	0	0	0	0	0	0	0	0	0
3BR	17	0	0	0	0	0	0	0	0	1	0	0
4BR	0	0	0	0	0	0	0	0	0	0	0	0
5BR	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

TOTAL ALL TYPES				
Unit Type	Kindred	Test 2	Test 3	0
0BR	0	0	0	0
1BR	89	0	0	0
2BR	19	0	0	0
3BR	18	0	0	0
4BR	0	0	0	0
5BR	0	0	0	0
<b>TOTAL</b>	<b>126</b>	<b>0</b>	<b>0</b>	<b>0</b>

Calculation of Tax Credits Version: 2.01 CDLAC

	FEDERAL			CALIFORNIA		
	ACQUISITION	CONST/ REHAB	TOTAL	ACQUISITION	CONST/ REHAB	TOTAL
TOTAL ELIGIBLE COSTS	0	82,838,172	82,838,172	0	82,838,172	82,838,172
Less:						
50% Energy Investment Tax Credit (Res. Portion)	0	0	0	0	0	0
Historic Tax Credit (Res. Portion)		0	0		0	0
Non-Eligible Federal Financing	0	0	0	0	0	0
Non-Eligible Grants	0	0	0	0	0	0
Soft Loan Basis Deduction	0	0	0	0	0	0
Voluntary Reduction for Tie-Breaker	0	0	0	0	0	0
ELIGIBLE BASIS	0	82,838,172	82,838,172	0	82,838,172	82,838,172
<i>Threshold Basis Limit</i>			153,642,528			
<i>TBL: Exclude GP Cap/DDF for 4%/State</i>			7,959,601			
REQUESTED UNADJUSTED ELIGIBLE BASIS (For Tiebreaker)	0	82,838,172	82,838,172	0	82,838,172	82,838,172
HIGH COST ADJUSTMENT (Y or N) Y DDA 2023	100.0%	130.0%		100.0%	100.0%	
ADJUSTED ELIGIBLE BASIS	0	107,689,623	107,689,623	0	82,838,172	82,838,172
APPLICABLE FRACTION*	100.0%	100.0%		100.0%	100.0%	
QUALIFIED CREDIT BASIS	0	107,689,623	107,689,623	0	82,838,172	82,838,172
CREDIT RATE (TCAC UNDERWRITING) Total State Annual Federal / Yr 1-3 State Yr 4 State	4.00%	4.00%		0.00% 9.00% 3.00%	30.00% 9.00% 3.00%	
MAX. POTENTIAL FEDERAL CREDIT (No Vol Basic Reduct/Actual Rate) Credit Rates Potential Credit Credit Rate Locked? YES Nov-16	4.00% 0	4.00% 4,307,585	4,307,585			
MAX. CREDIT AMOUNT PER TCAC UNDERWRITING Annual Federal / Yr 1 State Yr 2 State Yr 3 State Yr 4 State Total	0	4,307,585	4,307,585	0 0 0 0	7,455,435 7,455,435 1,392,984 0	7,455,435 7,455,435 1,392,984 0
REQUESTED TOTAL STATE CREDIT AMOUNT				0	16,303,855	16,303,855
MAX ANNUAL CREDITS PER GEOGRAPHIC REGION - BLENDED (x 125%) Federal/State Proration			N/A	N/A	N/A	N/A
MAX ANNUAL FEDERAL PER PROJECT ALLOCATION			N/A			
ACTUAL TCAC CREDIT RESERVATION Annual Federal / Total State	N/A	N/A	N/A	N/A	N/A	N/A
MAXIMUM ALLOWABLE CREDITS (Lesser of above) Annual Federal / Total State	0	4,307,585	4,307,585			16,303,855
UNADJUSTED ELIGIBLE BASIS AT MAX CREDIT AMOUNT	0	82,838,172	82,838,172			
UNADJUSTED BASIS EXCLUDED AT MAX CREDIT AMOUNT	(0)	0	(0)			
MAXIMUM ALLOWABLE - TEN YEAR TOTAL			43,075,849			16,303,855

TOTAL STATE + FEDERAL LIHTC AMOUNTS - 10 YEARS			
<b>Total Federal + State</b>	<b>59,379,704</b>	Blended Credit Request:	5,937,970
General Partner Share 0.01%	5,938	Est. 125% Target for San Diego Co.:	N/A
Limited Partner Share 99.99%	59,373,766	Credit Request Under / (Over) Geographic Region:	N/A

FIRST YEAR CREDIT CALCULATION (Federal)							
Actual Basis Method?	Y	Acquisition	Rehab/NC	"A" Bldgs: Acq	Rehab/NC	"B" Bldgs: Acq	Rehab/NC
Maximum Potential Federal Credit w/ Actual Basis-Annual		0	4,307,585	0	4,238,664	0	0
Wgt Avg Lease-up (from Page 7)				91.6%	91.6%	0.0%	0.0%
Maximum Potential Prorated Credit w/ Actual Basis				0	3,882,570	0	0
TCAC Credit Reservation-Annual		0	4,307,585	0	4,238,664	0	0
<b>First Year Credit (Lesser of Above)</b>				<b>0</b>	<b>3,882,570</b>	<b>0</b>	<b>0</b>

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*APPLICABLE FRACTION				
	Number of Units	Fraction	Total Sq Ft	Fraction
LIHTC	125	100.0000%	92,600	100.0000%
Non-LIHTC	0	0.0000%	0	0.0000%
<b>TOTAL</b>	<b>125</b>	<b>100.0000%</b>	<b>92,600</b>	<b>100.0000%</b>
<b>Applicable Fraction</b>		<b>100.0000%</b>		
<i>(Lesser of Low Income Units or Sq Ft %)</i>				

<b>Base Year Income &amp; Expense</b>	Version: 2.01 CDLAC
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<b>INCOME</b>		
Scheduled Gross Income - Residential		1,568,304
Total Gross Subsidy Income - Section 8		1,653,060
Misc. Income		19,500
Vacancy Loss - Residential	5.0%	(79,390)
Vacancy Loss - Section 8	5.0%	(82,653)
<b>EFFECTIVE GROSS INCOME</b>		<b>3,078,821</b>
<b>EXPENSES - RESIDENTIAL</b>		
<b>Administrative</b>		
Advertising	1,500	
Legal	4,000	
Accounting/Audit	33,320	
Security	228,140	
Office Equipment & Supplies	<u>52,934</u>	
<b>Total Administrative</b>		<b>319,894</b>
<b>Management Fee</b>		<b>90,720</b>
<b>Utilities</b>		
Gas	19,001	
Electricity	55,056	
Water/Sewer	94,280	
<b>Total Utilities</b>		<b>168,337</b>
<b>Payroll/Payroll Taxes</b>		
On-Site Manager/Office Admin	159,046	
Maintenance Payroll	93,600	
Payroll Taxes/Benefits	<u>95,238</u>	
<b>Total Payroll/Payroll Taxes</b>		<b>347,884</b>
<b>Insurance</b>		<b>193,505</b>
<b>Maintenance</b>		
Repairs	58,368	
Trash Removal	24,000	
Exterminating	9,600	
Grounds	12,800	
Elevator	25,000	
<b>Total Maintenance</b>		<b>129,768</b>
<b>Other</b>		
Misc. Tax/License	2,235	
<b>Total Other</b>		<b>2,235</b>
<b>Resident Services</b>	<i>PUPA</i>	
Resident Services	<i>3,272</i>	<u>193,065</u>
<b>Total Resident Services</b>		<b>193,065</b>
<b>Replacement Reserve</b>		<b>63,000</b>
<b>Real Estate Taxes</b>		<u><b>2,032</b></u>
<b>TOTAL EXPENSES - RESIDENTIAL</b>		<b>1,510,440</b>
<i>Per Unit Per Annum (incl. Reserves)</i>	<i>11,988</i>	
<i>Per Unit Per Annum (w/o taxes/res/svc)</i>	<i>9,939</i>	
<i>TCAC Minimum (w/o taxes/res/svc)</i>	<i>2022 SD, SN w/elev.</i>	<i>6,405</i>
<b>NET AVAILABLE INCOME</b>		<b>1,568,381</b>
Less: Ground Lease Payment		(6,000)
Less: Monitoring Fees (SDHC & County)		(31,862)
<b>ADJUSTED NET AVAILABLE INCOME: TOTAL</b>		<b>1,520,519</b>
<b>ADJUSTED NET AVAILABLE INCOME: NET OF OP SUBSIDY</b>		<b>(49,888)</b>
<b>Mandatory Soft Debt Payments:</b>		
<b>TOTAL MANDATORY SOFT DEBT PAYMENTS</b>		<b>0</b>
Debt Service Coverage Ratio		1.15
Mandatory Soft Debt Payments Grossed Up for DCR Factor		0
<b>AVAILABLE FOR SENIOR DEBT SERVICE (NET OF OP SUBSIDY)</b>		<b>(43,381)</b>
<b>AVAILABLE FOR SENIOR DEBT SERVICE (OP SUBSIDY OVERHANG)</b>		<b>1,365,571</b>
<b>NET AVAILABLE INCOME AFTER SENIOR DEBT SERVICE</b>		<b>198,329</b>

<b>Mortgage Calculation/Bond Ratios</b>	<b>Version: 2.01 CDLAC</b>
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<b>TRANCHE A</b>				
Uses baseline year NOI; includes annual fees				
Financing Type: Permanent Loan				
	Underwriting Constraint	Maximum Loan Amount		
Debt Service Coverage	1.15	17,773,328	Rate:	6.688%
Lender Commitment		NA	Amortization (mos):	420
			NOI for DS:	<u>1,520,519</u>
			Max PMT @ DSCR:	1,322,190
<b>MAXIMUM MORTGAGE</b>		<b>17,773,328</b>	Annual Fees:	<u>6,000</u>
			Annual DS Payment:	1,316,190

**BOND / REHABILITATION RATIOS**

Tax-Exempt Financing Ratio	CDLAC Allocation Limit	<i>Effective Date Limits</i> 6/1/20		
		Units	Per-Unit Limit	Total Limit
				0
				0
Series A Bonds	17,773,000	Studio and SRO	522,000	0
Series B Bonds	0	One BR	544,000	48,416,000
Short Term Bonds (Construction Loan Portion)	<u>26,851,380</u>	Two BR	580,000	11,020,000
TOTAL TAX-EXEMPT FINANCING	44,624,380	Three BR	638,000	11,484,000
		Four BR or More	671,000	0
			<b>TOTAL</b>	<b>70,920,000</b>
TOTAL BASIS + LAND ALLOCATION	84,196,943		Potential Bond Size	44,624,380
			Over/(Under)	-26,295,620
<b>Percent Tax-Exempt Financing</b>	<b>53.00%</b>			

Lease-Up / Placed-in-Service Schedule

Version: 2.01 CDLAC

SCHEDULE

	Dates	Months to Milestones	Cumulative Months
Start of Construction	January 1, 2025	0	0
Completion	November 1, 2026	22	22
100% Occupancy	April 1, 2027	5	27
Conversion	July 1, 2027	3	30
Form(s) 8609	January 1, 2028	6	36

LIHTC SCHEDULE

SINGLE BUILDING / MULTIPLE BUILDINGS - GROUP A

1st Tax Credit Year: 2027  
Total # Units: 123

Month	Total QO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-27	71	0	71	57.72%
Feb-27	14	0	85	69.11%
Mar-27	14	0	99	80.49%
Apr-27	14	0	113	91.87%
May-27	10	0	123	100.00%
Jun-27	0	0	123	100.00%
Jul-27	0	0	123	100.00%
Aug-27	0	0	123	100.00%
Sep-27	0	0	123	100.00%
Oct-27	0	0	123	100.00%
Nov-27	0	0	123	100.00%
Dec-27	0	0	123	100.00%

1st Year Occupancy: 2027 91.60%

LIHTC SCHEDULE - 2/3 CREDITS

SINGLE BLDG / MULTIPLE BLDGS - GROUP A

1st Tax Credit Year (2/3 Units): 2028

Month	No. Units	Percent
Jan-28	0	0.0%
Feb-28	0	0.0%
Mar-28	0	0.0%
Apr-28	0	0.0%
May-28	0	0.0%
Jun-28	0	0.0%
Jul-28	0	0.0%
Aug-28	0	0.0%
Sep-28	0	0.0%
Oct-28	0	0.0%
Nov-28	0	0.0%
Dec-28	0	0.0%
Total	0	0.0%

Total Avg % Qual. Occ. 0.0%

OPERATIONS SCHEDULE

YEAR 0

2026

Completed Lease Up by Month

Month	No. Units	Percent
Jan-26	0	0.0%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	16	12.7%
Oct-26	14	11.1%
Nov-26	14	11.1%
Dec-26	14	11.1%
Total	58	46.0%

Total % Operating in First Year 9.79%

MULTIPLE BUILDINGS - GROUP B

1st Tax Credit Year: 2028  
Total # Units: 0

Month	Total QO by Month	Total Vacated by Month	Cumulative Occupancy	Cumulative Occupancy %
Jan-28	0	0	0	0.00%
Feb-28	0	0	0	0.00%
Mar-28	0	0	0	0.00%
Apr-28	0	0	0	0.00%
May-28	0	0	0	0.00%
Jun-28	0	0	0	0.00%
Jul-28	0	0	0	0.00%
Aug-28	0	0	0	0.00%
Sep-28	0	0	0	0.00%
Oct-28	0	0	0	0.00%
Nov-28	0	0	0	0.00%
Dec-28	0	0	0	0.00%

1st Year Occupancy: 2028 0.00%

MULTIPLE BUILDINGS - GROUP B

1st Tax Credit Year (2/3 Units): 2029

Month	No. Units	Percent
Jan-29	0	0.0%
Feb-29	0	0.0%
Mar-29	0	0.0%
Apr-29	0	0.0%
May-29	0	0.0%
Jun-29	0	0.0%
Jul-29	0	0.0%
Aug-29	0	0.0%
Sep-29	0	0.0%
Oct-29	0	0.0%
Nov-29	0	0.0%
Dec-29	0	0.0%
Total	0	0.0%

Total Avg % Qual. Occ. 0.0%

YEAR 1 (cumulative)

2027

Month	No. Units	Percent
Jan-27	72	57.1%
Feb-27	14	11.1%
Mar-27	14	11.1%
Apr-27	14	11.1%
May-27	10	7.9%
Jun-27	0	0.0%
Jul-27	0	0.0%
Aug-27	0	0.0%
Sep-27	0	0.0%
Oct-27	0	0.0%
Nov-27	0	0.0%
Dec-27	0	0.0%
Total	124	98.4%

Total % Operating in 2nd Year 90.2%

PIS SCHEDULE FOR ACQ BASIS DEPRECIATION

YEAR 0

Mid-Month Convention 2026

Month	No. Units	Bldg. PIS by Month Dep. Percent
Jan-26	0	0.0%
Feb-26	0	0.0%
Mar-26	0	0.0%
Apr-26	0	0.0%
May-26	0	0.0%
Jun-26	0	0.0%
Jul-26	0	0.0%
Aug-26	0	0.0%
Sep-26	16	0.5%
Oct-26	30	1.5%
Nov-26	44	2.4%
Dec-26	58	3.4%
TOTAL	58	7.9%

Total Avg % PIS Y1 7.9%

YEAR 2 (cumulative)

Month	No. Units	Percent
Jan-27	72	4.3%
Feb-27	86	5.2%
Mar-27	100	6.2%
Apr-27	114	7.1%
May-27	124	7.9%
Jun-27	124	8.2%
Jul-27	124	8.2%
Aug-27	124	8.2%
Sep-27	124	8.2%
Oct-27	124	8.2%
Nov-27	124	8.2%
Dec-27	124	8.2%
TOTAL	124	88.0%

Total Avg % PIS Y2 88.0%

PIS SCHEDULE FOR REHAB/NC BASIS DEPRECIATION

YEAR 1

Mid-Month Convention 2026

Month	Building No.	No. Units	Percent
Jan-26	0	0	0.0%
Feb-26	0	0	0.0%
Mar-26	0	0	0.0%
Apr-26	0	0	0.0%
May-26	0	0	0.0%
Jun-26	0	0	0.0%
Jul-26	1	0	0.0%
Aug-26	0	0	0.0%
Sep-26	0	16	0.5%
Oct-26	0	30	1.5%
Nov-26	0	44	2.4%
Dec-26	0	58	3.4%
TOTAL		58	7.9%

Total Avg % PIS Y1 7.9%

YEAR 2 (cumulative)

Month	No. Units	Percent	
Jan-27	0	72	4.3%
Feb-27	0	86	5.2%
Mar-27	0	100	6.2%
Apr-27	0	114	7.1%
May-27	0	124	7.9%
Jun-27	0	124	8.2%
Jul-27	0	124	8.2%
Aug-27	0	124	8.2%
Sep-27	0	124	8.2%
Oct-27	0	124	8.2%
Nov-27	0	124	8.2%
Dec-27	0	124	8.2%
TOTAL		124	88.0%

Total Avg % PIS Y2 88.0%

PIS SCHEDULE FOR SITEWORK/PERS. PROP. DEPRECIATION

YEAR 1

Mid-Year Convention 2026

Month	Building No.	No. Units	Percent
Jan-26	0	0	0.0%
Feb-26	0	0	0.0%
Mar-26	0	0	0.0%
Apr-26	0	0	0.0%
May-26	0	0	0.0%
Jun-26	0	0	0.0%
Jul-26	1	0	0.0%
Aug-26	0	0	0.0%
Sep-26	0	16	0.0%
Oct-26	0	14	0.0%
Nov-26	0	14	1.9%
Dec-26	0	14	3.8%
TOTAL		58	5.8%

Total Avg % PIS Y1 5.8%

YEAR 2 (non-cumulative)

Month	No. Units	Percent	
Jan-27	0	14	3.8%
Feb-27	0	14	3.8%
Mar-27	0	14	3.8%
Apr-27	0	14	3.8%
May-27	0	10	3.8%
Jun-27	0	0	3.8%
Jul-27	0	0	8.2%
Aug-27	0	0	8.2%
Sep-27	0	0	8.2%
Oct-27	0	0	8.2%
Nov-27	0	0	8.2%
Dec-27	0	0	8.2%
TOTAL		66	72.2%

Total Avg % PIS Y2 72.2%

<b>Calculation of Net Syndication Proceeds</b>	<b>Version: 2.01 CDLAC</b>
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			<u>As of Closing</u>
Total Federal Credit (10 yr) & State Credit		59,379,704	0
<i>Total Federal Credit</i>	43,075,849		0
<i>Total State Credit</i>	16,303,855		0
Gross Proceeds (Total)		52,236,883	0
<i>Gross Proceeds - Federal Credit</i>	39,195,103		0
<i>Gross Proceeds - State Credit</i>	13,041,780		0
Gross Proceeds (net of Energy/Historic Credit Proceeds)		52,236,883	0
Less: LP Syndication Costs			
Attorney	67,500		
Accountant	60,000		
Consulting	100,000		
Other:			
Total Syndication Costs		227,500	0
Total Syndication Costs/Gross Proceeds		0.44% (Syndication Load)	0.00000%
<b>Net Proceeds</b>		<b>52,009,383</b>	<b>0</b>
<b>Net Proceeds/Total Fed and State Credit</b>		<b>0.875878 tax credit price</b>	<b>0.00000</b>
<b>Gross Proceeds (Total)/Total Fed and State Credit</b>		<b>0.879709 tax credit price</b>	<b>0.00000</b>
<b>Gross Proceeds - Federal/State Disaggregated</b>			
Federal		0.910000 tax credit price	1.00000
State		0.800000 tax credit price	0.70000
<b>Net Proceeds - Federal/State Disaggregated</b>			
Federal		0.905946 tax credit price	0.00000
State		0.796436 tax credit price	0.00000
<b>Total Equity</b>			
Gross Proceeds from LIHTC	52,236,883		
Gross Proceeds from Energy Credits	0		
Gross Proceeds from Historic Credit	0		
<b>Total Equity</b>	<b>52,236,883</b>		

<b>TCAC Calculations &amp; Scoring</b>	Version: 2.01 CDLAC
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THRESHOLD BASIS LIMIT						
County: San Diego		TCAC Project #:		CDLAC Project #:		
9% or 4% credits: 4%						
Year: 2023						
Base Limits for Geographic Region			Threshold Basis Limit for This Project			
Unit Type	9%	4%	Unit Type	# Units	Per Unit Basis Limit	Total
0 BR	353,173	353,173	0 BR	0	353,173	0
1 BR	407,205	407,205	1 BR	89	407,205	36,241,245
2 BR	491,200	491,200	2 BR	19	491,200	9,332,800
3 BR	628,736	628,736	3 BR	18	628,736	11,317,248
4 BR	700,451	700,451	4 BR	0	700,451	0
5 BR	700,451	700,451	5 BR	0	700,451	0
			126		56,891,293	
Energy/Resource Efficiency Boosts			Additional Basis Adjustments			
Renewables (50% tot./90% area)	0%		Boost for Prevailing Wage	20.0%	11,378,259	
Renewables (75% CA/90% area)	0%		Boost for Project Labor Agreement	0.0%	0	
Title 24 + 15%	4%		Boost for Parking beneath Units	0.0%	0	
Post-rehab improvement > 80%	0%		Boost for Childcare	0.0%	0	
Greywater landscaping	0%		Boost for 100% Special Needs	0.0%	0	
Community gardens > 60 s.f.	0%		Boost for elevator service	10.0%	5,689,129	
Natural flooring kitchens	1%		Boost for Type I construction	0.0%	0	
Natural flooring common area	2%		Boost for Type III construction	0.0%	0	
EPA Indoor Air Plus Program met	2%		<b>Subtotal Basic Boosts</b>	<b>30.0%</b>		<b>17,067,388</b>
<b>Subtotal Efficiency (Max 10%)</b>	<b>9%</b>		Boost for Energy / Resource Efficiency	9.0%	5,120,216	
			Toxic/Seismic Abatement Costs	0.0%	0	
			Local Development Impact Fees		2,311,689	
			High Opportunity Area	0.0%	0	
			BONDS: Boost for units ≤ 50% AMI (excl. CA credit project)	1.0%	15,360,649	
			BONDS: Boost for units ≤ 35% AMI (excl. CA credit project)	2.0%	56,891,293	
			<b>Total Threshold Basis Limit Boosts</b>			<b>96,751,235</b>
			<b>Total Threshold Basis Limit</b>			<b>153,642,528</b>
			Potential Eligible Basis			82,838,172
			Eligible Basis Surplus/(Deficit)			70,804,356

TCAC HIGH COST TEST			
	Federal Credit	CA State Credit	HCD 2017 UMR
Total Eligible Basis	82,838,172	74,878,571	82,838,172
Total Adjusted TBL	153,642,528	81,390,586	81,390,586
<b>Percentage of ATBL</b>	<b>53.92%</b>	<b>92.00%</b>	<b>101.78%</b>
Amount Over/(Under) 130% Limit (160% Limit for HCD)	(116,897,115)	(30,929,191)	(47,386,766)

CAPITALIZED OPERATING SUBSIDY VALUE									
		Non-SN		SN					
AMI levels used for TCAC underwriting:		40%		30%					
<b>SUBSIDY #1: Section 8</b>									
UNIT TYPE	# OF NON-SN SUBSID. UNITS	40% TCAC RENTS	# OF SUBSIDIZED SN UNITS	30% TCAC RENTS	SUBSIDIZED RENTS	PER UNIT INCREMENTAL 40% RENT	PER UNIT INCREMENTAL 30% RENT	TOTAL INCREMENTAL MONTHLY RENT	
0BR	0	965	0	724	0	0	0	0	
1BR	18	1,034	59	775	2,409	1,375	1,634	121,151	
2BR	5	1,241	0	931	3,114	1,873	2,183	9,366	
3BR	2	1,433	0	1,075	4,381	2,948	3,306	5,896	
4BR	0	1,598	0	1,199	0	0	0	0	
5BR	0	1,598	0	1,199	0	0	0	0	
						TOTAL ANNUAL RENT		1,636,966	
						(less) VACANCY		5.00%	(81,848)
						<b>NET TOTAL RENT</b>		<b>1,555,117</b>	
CAPITALIZED VALUE									
Term (TCAC assumption)				15					
Interest Rate (TCAC assumption)				4.00%					
DCR (TCAC assumption)				1.15					
<b>Capitalized Value, Subsidy #1</b>				<b>15,234,757</b>					
<b>CAPITALIZED VALUE OF RENTAL SUBSIDY FOR TCAC TIEBREAKER</b>				<b>15,234,757</b>					

Kindred Apartments

TCAC Cash Flow													2.01 CDLAC			
	MULTIPLIER	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		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
<b>REVENUE</b>																
Gross Rent	1.025	1,568,304	1,607,512	1,647,699	1,688,892	1,731,114	1,774,392	1,818,752	1,864,221	1,910,826	1,958,597	2,007,562	2,057,751	2,109,195	2,161,924	2,215,972
Less Vacancy	5.00%	(78,415)	(80,376)	(82,385)	(84,445)	(86,556)	(88,720)	(90,938)	(93,211)	(95,541)	(97,930)	(100,378)	(102,888)	(105,460)	(108,096)	(110,799)
Rental Subsidy	1.025	1,653,060	1,694,387	1,736,746	1,780,165	1,824,669	1,870,286	1,917,043	1,964,969	2,014,093	2,064,445	2,116,057	2,168,958	2,223,182	2,278,761	2,335,731
Less Vacancy	5.00%	(82,653)	(84,719)	(86,837)	(89,008)	(91,233)	(93,514)	(95,852)	(98,248)	(100,705)	(103,222)	(105,803)	(108,448)	(111,159)	(113,938)	(116,787)
Miscellaneous Income	1.025	19,500	19,988	20,487	20,999	21,524	22,062	22,614	23,179	23,759	24,353	24,962	25,586	26,225	26,881	27,553
Less Vacancy	5.00%	(975)	(999)	(1,024)	(1,050)	(1,076)	(1,103)	(1,131)	(1,159)	(1,188)	(1,218)	(1,248)	(1,279)	(1,311)	(1,344)	(1,378)
<b>Total Revenue</b>		<b>3,078,821</b>	<b>3,155,791</b>	<b>3,234,686</b>	<b>3,315,553</b>	<b>3,398,442</b>	<b>3,483,403</b>	<b>3,570,488</b>	<b>3,659,750</b>	<b>3,751,244</b>	<b>3,845,025</b>	<b>3,941,151</b>	<b>4,039,680</b>	<b>4,140,672</b>	<b>4,244,188</b>	<b>4,350,293</b>
<b>EXPENSES</b>																
Operating Expenses:	1.035															
Administrative		319,894	331,090	342,678	354,672	367,086	379,934	393,231	406,995	421,239	435,983	451,242	467,036	483,382	500,300	517,811
Management		90,720	93,895	97,182	100,583	104,103	107,747	111,518	115,421	119,461	123,642	127,970	132,448	137,084	141,882	146,848
Utilities		168,337	174,229	180,327	186,638	193,171	199,932	206,929	214,172	221,668	229,426	237,456	245,767	254,369	263,272	272,486
Payroll & Payroll Taxes		347,884	360,060	372,662	385,705	399,205	413,177	427,638	442,606	458,097	474,130	490,725	507,900	525,677	544,075	563,118
Insurance		193,505	200,278	207,287	214,542	222,051	229,823	237,867	246,192	254,809	263,727	272,958	282,511	292,399	302,633	313,225
Maintenance		129,768	134,310	139,011	143,876	148,912	154,124	159,518	165,101	170,880	176,860	183,051	189,457	196,088	202,951	210,055
Misc. Tax/License		2,235	2,313	2,394	2,478	2,565	2,654	2,747	2,844	2,943	3,046	3,153	3,263	3,377	3,495	3,618
<b>Total Operating Expenses</b>		<b>1,252,343</b>	<b>1,296,175</b>	<b>1,341,541</b>	<b>1,388,495</b>	<b>1,437,092</b>	<b>1,487,391</b>	<b>1,539,449</b>	<b>1,593,330</b>	<b>1,649,097</b>	<b>1,706,815</b>	<b>1,766,553</b>	<b>1,828,383</b>	<b>1,892,376</b>	<b>1,958,609</b>	<b>2,027,161</b>
<b>Ground Lease Payment</b>		<b>6,000</b>														
Service Amenities	1.035	193,065	199,822	206,816	214,055	221,547	229,301	237,326	245,633	254,230	263,128	272,337	281,869	291,734	301,945	312,513
Replacement Reserve		63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
Real Estate Taxes	1.020	2,032	2,073	2,114	2,156	2,200	2,243	2,288	2,334	2,381	2,428	2,477	2,527	2,577	2,629	2,681
Monitoring Fees	1.000	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862	31,862
<b>Total Expenses</b>		<b>1,548,302</b>	<b>1,598,932</b>	<b>1,651,333</b>	<b>1,705,568</b>	<b>1,761,700</b>	<b>1,819,797</b>	<b>1,879,926</b>	<b>1,942,159</b>	<b>2,006,569</b>	<b>2,073,233</b>	<b>2,142,230</b>	<b>2,213,640</b>	<b>2,287,550</b>	<b>2,364,045</b>	<b>2,443,217</b>
<b>Cash Flow Prior to Debt Service</b>		<b>1,530,519</b>	<b>1,556,859</b>	<b>1,583,353</b>	<b>1,609,985</b>	<b>1,636,742</b>	<b>1,663,606</b>	<b>1,690,562</b>	<b>1,717,592</b>	<b>1,744,675</b>	<b>1,771,792</b>	<b>1,798,921</b>	<b>1,826,039</b>	<b>1,853,122</b>	<b>1,880,143</b>	<b>1,907,076</b>
<b>MUST PAY DEBT SERVICE</b>																
SDHC Mandatory Debt Service		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Bond Issuer Fees		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
<b>TOTAL SERIES A DEBT SERVICE</b>		<b>1,316,166</b>														
<b>Total Debt Service</b>		<b>1,332,166</b>														
<b>Cash Flow After Debt Service</b>		<b>198,353</b>	<b>224,693</b>	<b>251,187</b>	<b>277,819</b>	<b>304,576</b>	<b>331,440</b>	<b>358,396</b>	<b>385,426</b>	<b>412,509</b>	<b>439,626</b>	<b>466,755</b>	<b>493,873</b>	<b>520,956</b>	<b>547,977</b>	<b>574,910</b>
Percent of Gross Revenue		6.12%	6.76%	7.38%	7.96%	8.51%	9.04%	9.54%	10.00%	10.45%	10.86%	11.25%	11.61%	11.95%	12.27%	12.55%
25% Debt Service Test		14.89%	16.87%	18.86%	20.85%	22.86%	24.88%	26.90%	28.93%	30.97%	33.00%	35.04%	37.07%	39.11%	41.13%	43.16%
Debt Coverage Ratio		1.149	1.169	1.189	1.209	1.229	1.249	1.269	1.289	1.310	1.330	1.350	1.371	1.391	1.411	1.432
Year 15 Test - Greater of: (a) 2% Gross Income OR (b) lesser of \$25,000 or \$500/unit																91,585
<b>OTHER FEES</b>																
LP Asset Mgt. Fee	1.035	7,500	7,763	8,034	8,315	8,606	8,908	9,219	9,542	9,876	10,222	10,579	10,950	11,333	11,730	12,140
GP Partnership Mgt. Fee	1.035	30,668	31,742	32,853	34,003	35,193	36,424	37,699	39,019	40,384	41,798	43,261	44,775	46,342	47,964	49,643
<b>Total Other Fees</b>		<b>38,168</b>	<b>39,504</b>	<b>40,887</b>	<b>42,318</b>	<b>43,799</b>	<b>45,332</b>	<b>46,919</b>	<b>48,561</b>	<b>50,260</b>	<b>52,020</b>	<b>53,840</b>	<b>55,725</b>	<b>57,675</b>	<b>59,694</b>	<b>61,783</b>
<b>Remaining Cash Flow</b>		<b>160,184</b>	<b>185,189</b>	<b>210,300</b>	<b>235,501</b>	<b>260,777</b>	<b>286,108</b>	<b>311,478</b>	<b>336,865</b>	<b>362,249</b>	<b>387,607</b>	<b>412,915</b>	<b>438,149</b>	<b>463,281</b>	<b>488,284</b>	<b>513,127</b>
Deferred Developer Fee		160,184	185,189	210,300	235,501	260,777	286,108	311,478	336,865	362,249	387,607	412,915	438,149	463,281	488,284	513,127
<b>Remaining Cash Flow</b>		<b>0</b>														
Residual or Soft Loan Payments																
SDHC PSH	27.18%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SDHC	39.36%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Residual Soft Loan Payments</b>		<b>0</b>														
<b>Cash Flow</b>		<b>0</b>														



**ATTACHMENT 5**  
**PROPOSED LOAN NON-BINDING COMMITMENT TERMS SUMMARY**

Kindred Cortez Hill LP  
1501 Sixth Avenue, San Diego, CA 92101 (Project)  
March 5, 2024

The San Diego Housing Commission (“Housing Commission”) is pleased to submit this non-binding commitment terms summary. This commitment terms summary is not a binding contract and is subject to the approval by the San Diego Housing Commission Board of Commissioners (“Board of Commissioners”) and, if necessary, the Housing Authority of the City of San Diego. The purpose of this commitment terms summary is to set forth the general terms and conditions under which the Housing Commission is interested in making a loan (“Housing Commission Loan”) to Kindred Cortez Hill LP, a California limited partnership, formed by BRIDGE Housing Corporation, Inc., (Bridge) (the “Borrower”) for the Kindred (“Project”) with respect to the proposed acquisition and construction and the permanent financing of a 126-unit development (with 125 affordable units and one unrestricted manager’s unit) located at 1501 Sixth Avenue in the City of San Diego. Closing must occur within twenty-four (24) months from the date of the San Diego Housing Commission’s NOFA Award Letter unless an extension is/has been granted by the President & CEO of the Housing Commission (or by their designee) in their sole discretion.

In the event of a conflict between any term or provision (or absence of any term or provision) of this commitment terms summary and any term or provision of any approval of any applicable board or governing body, the term or provision of such board or governing body shall apply and shall prevail. Provided that the Housing Commission loan is approved by the San Diego Housing Commission Board of Commissioners and, if necessary, by the Housing Authority of the City of San Diego, the following terms shall apply to the Housing Commission loan. In addition, Exhibit A includes the Borrower's Pro forma which models financial Projections of the Project.

The terms of the Housing Commission’s proposed financing shall be as follows:

1. **Maximum loan amount (not to exceed)** - Up to \$7,955,600 as a residual receipts loan. Loan funds to be used for the acquisition, construction and permanent financing of the Project.
2. **Interest Rate**- 4 percent simple interest.
3. **Loan Term** - The loan will be due and payable in full in 55 years from completion of the Project.
4. **Loan Payments** –Annual residual receipts payments at 50 percent of the Project's residual cash flow is required. In addition to the 50 percent residual cash payment the Borrower shall also pay a fixed \$10,000 annual payment to the Housing Commission.



Provided, however, if the Housing Commission approves other lenders whose loans will be paid from residual receipts, then the Housing Commission and such other approved lenders shall share the 50 percent of the Project's residual receipts, in proportion to the original principal balances of their respective loans. Residual payments and the fixed \$10,000 annual payment will begin on May 1 in the year immediately following the calendar year in which construction is completed. The Housing Commission defines residual receipts as the net cash flow of the development after specified expenses and other debt service are paid. The following items, in addition to other operating expenses, shall be payable by the Borrower prior to the calculation of residual receipts:

- (i) The year 1 "Limited Partnership Fees" shall be capped at \$25,000 per year. "Limited Partnership Fees" shall be defined to include any and all partnership related fees including but not limited to: Investor Partnership fees, Asset Management fees, Other Limited Partnership oversight fees, and General Partner Fees. Partnership fee increases will be capped at three (3) percent annually. Unpaid partnership fees shall not accrue and the Housing Commission will require the Limited Partnership Agreement to explicitly state that requirement.
- (ii) Eligible deferred developer fee, and
- (iii) Repayment of eligible development deficit and operating deficit loans.

5. **Affordability-**

- (i) Restricted units must remain affordable for 55 years. At escrow closing the Borrower and the Housing Commission shall cause a Declaration of Covenants, Conditions, and Restrictions (CC&R), restricting the rent and occupancy of the affordable units for 55 years, to be recorded against the Project. Such CC&R shall be in a form and format acceptable to the Housing Commission and its General Counsel in their sole discretions.
- (ii) The affordability shall be as follows:

Unit Type	AMI	Affordable Units
One-Bedroom	30%	59
One-Bedroom	40%	18
One-Bedroom	50%	7
One-Bedroom	60%	5
Two-Bedroom	30%	2
Two-Bedroom	40%	3
Two-Bedroom	50%	2
Two-Bedroom	60%	12
Three-Bedroom	30%	2
Three-Bedroom	40%	1
Three-Bedroom	50%	3



Three-Bedroom	60%	11
Manager Units		1
<b>TOTAL</b>		<b>126</b>

6. **Purchase Option** – The Borrower will provide the Housing Commission with the option to purchase the property’s leasehold at the end of the 15-year tax credit compliance period.
7. **Alternate Funding-** Borrower shall also seek alternative funding, including but not limited to the State of California Department of Housing and Community Development, County of San Diego, Federal Home Loan Bank, etc. along with tax exempt bonds and 4% tax credits, Housing Commission legal counsel will determine if subsequent approvals for alternative financing structures are required by the San Diego Housing Commission Board of Commissioners and the Housing Authority of the City of San Diego.
8. **Site Value** – The estimated value of the Project site was determined to be \$6,800,000 as of October 25, 2022. The land is owned by the County of San Diego and will be leased by the County to the Borrower.
9. **Closing Costs** - The Borrower shall pay all escrow, title and closing costs, including, without limitation, paying for an American Land Title Association (ALTA) Lenders Policy for the Housing Commission loan with endorsements, as acceptable to the Housing Commission’s legal counsel.
10. **Construction Costs Third-Party Review** - Prior to Housing Commission Loan closing, a costs review may be obtained by the Housing Commission with a third-party consultant. If obtained, Borrower will reimburse the Housing Commission at escrow closing for all reasonable third-party- review costs.
11. **Contractor** - The construction contract shall be competitively bid to at least three qualified General Contractors and shall be awarded to the lowest qualified and responsive bidder.
  - a. Borrower will submit copies of three qualified bids received from subcontractors for each trade.
  - b. Construction Agreement - Borrower shall submit the proposed Construction Agreement to the Housing Commission for its review and prior approval. The Housing Commission shall have a minimum of two weeks for its review of the proposed Construction agreement.
  - c. Subcontractors – the Borrower shall require the General Contractor to solicit and



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obtain competitive bids from at least three qualified subcontractors for each major trade involved in the construction of the Project. Those bids will be reviewed and approved by the Borrower. The Borrower and General Contractor shall submit the subcontractors' competitive bids to the Housing Commission for prior review and reasonable approval.

- d. Change orders at or in excess of \$100,000 shall have Housing Commission prior written approval. For proposed change orders over \$100,000, the Borrower and General Contractor shall submit to the Housing Commission a detailed explanation of why the change order work is necessary, why the issue was not included in the original scope of work, and why the change is not being charged against the General Contractor's contingency.
  - e. Agreement Changes - a Construction Agreement with a Guaranteed Maximum Price (GMP) may not be revised to a Lump Sum or other form of Construction Agreement without the prior written approval of the Housing Commission.
  - f. Insurance - prior to close of escrow, evidence of the General Contractor's insurance acceptable to the Housing Commission's legal counsel shall be provided. The Housing Commission, the Housing Authority of the City of San Diego, and the City of San Diego, shall be named as additional insureds on the General Contractor's insurance policies.
12. **Tax Credit Equity** - Borrower will provide the Letter of Intent with equity pricing from the low-income housing tax credit (LIHTC) investor within 90 days of closing.
  13. **First Mortgage** - Borrower will provide the term sheet from the first mortgage provider that was used at time of application as well as an update within 90 days of closing.
  14. **Cost Certification** - The Borrower shall submit the final tax credit cost certification to the Housing Commission for its review and approval before the cost certification is completed/finalized.
  15. **Cost Savings and/or Additional Proceeds at Escrow Closing** - In the event that the Borrower obtains funds in excess of those shown as sources in Exhibit A Pro Forma, then upon the construction loan closing, the excess funds shall be used as follows:
    - a. First, such excess funds shall be used to fund development cost overruns reasonably approved by the Housing Commission.
    - b. Second, upon Construction Loan Closing and subject to lender and investor approval, any excess funds shall be used to pay the Housing Commission Loan as set forth in Section 16 below.
    - c. Other Public Lenders - If the Project financing includes other public lenders who may require cost savings sharing then the cost savings shall be split proportionately based upon the public lenders loan amounts and in conformance with the other public



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lenders' agreements.

- d. Excess funds will be applied first to pay down the accrued interest, and the remaining amount shall pay down the principal.

**16. Cost Savings and/or Additional Proceeds at Conversion to Permanent Financing -**

In the event that the Borrower obtains funds in excess of those shown as sources in Exhibit A Pro Forma, (including but not limited to cost savings, improved debt, improved tax credit equity pricing, deferred developer fee if any, and any other sources), then upon conversion to permanent loan, the excess funds shall be used as follows:

- a. First, to pay for development cost overruns reasonably approved by the Housing Commission.
- b. Second, used to make any necessary adjustment to the total tax credit allocation as may be required by CTCAC.
- c. Third, payment towards the Borrower's deferred developer fee. A deferred developer fee is currently modeled in the Pro Forma (Attachment A).
- d. Fourth, excess funds shall be shared fifty percent (50%) to the Borrower and the other fifty percent (50%) will be paid to the Housing Commission and other soft lenders in proportion to the original principal balance of their loans.
- e. Excess funds will be applied first to pay down the accrued interest, and the remaining amount shall pay down the principal.

**17. Developer Fee-**

- a. Maximum Gross Developer's Fee of \$10,979,601 to be paid from Development Sources.
  - i. There will be a \$7,959,601 Deferred Developer Fee to be paid from the gross developer fee amount of \$10,979,601.
  - ii. There will be a maximum Net Cash Developer Fee (including a "Large Project Boost") of \$3,020,000 to be paid from the gross developer fee of \$10,979,601.
- b. Additional developer fee provisions
  - i. If for any reason the Borrower does not collect the entire developer fee from development sources through the last equity installment, with the exception of negative tax credit adjusters, uncollected fee up to \$3,020,000 shall be given priority over Housing Commission residual receipt payments.
  - ii. The Deferred Developer Fee shall be repaid during the 15-year tax credit compliance period. Amounts outstanding after the expiration of the 15-year tax credit compliance period shall be contributed to the Project in the form of a capital contribution.
- c. Developer fee payments shall be paid out incrementally: because this is a tax credit Project, the developer fee payments shall be in accordance with lender and investor requirements.



18. **Due Diligence** - The Borrower, at Borrower's expense, shall provide the following: a current appraisal, an environmental review, a lead paint and asbestos review.
19. **Environmental Requirements** - Currently HOME funds are planned for this Project. Notwithstanding any provision of this Letter, the parties agree and acknowledge that this Letter constitutes a conditional reservation and does not represent a final commitment of HOME funds or site approval under 24 CFR Part 58 of the National Environmental Policy Act (NEPA). HOME funds constitute a portion of the funding for the Project, and a final reservation of HOME funds shall occur only upon satisfactory completion of environmental review and receipt by the City of San Diego of a Release of Funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58 of NEPA.

The parties agree that the provision of any HOME funds to the Project will be conditioned on the City of San Diego's determination to proceed with, modify or cancel the Project based on the results of subsequent environmental review under NEPA. By execution of this Letter, you acknowledge no legal claim to any amount of HOME funds to be used for the Project or site unless and until the site has received environmental clearance under NEPA. You are also prohibited from undertaking or committing any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, clearance, rehabilitation, conversion, repair or construction prior to environmental clearance under NEPA. Violation of this provision may result in denial of any HOME funds for this Project.

20. **Fees/Payments to Housing Commission** - Borrower will pay to the Housing Commission:
- a) **Underwriting Fee** - a flat underwriting fee in the amount of **\$60,000** will be charged as reimbursement of Housing Commission costs related to underwriting and issuing the loan. This must be included in the total development cost of the Project and is to be paid at close of escrow.
  - b) **Legal Fee** - the Housing Commission charges a legal costs fee for document preparation and review that must be included in the total development cost. Current Housing Commission legal fees are **\$25,000** and are to be paid at the close of escrow.
  - c) **Compliance Affordability Monitoring Fee** - compliance monitoring fees must be incorporated into the operating proforma. Borrower will pay the fee in accordance with the then-existing Housing Commission fee schedule. Current annual affordability monitoring are as follows: \$157.50 X 126 units to be affordability monitored = **\$19,845** per year. Additional training and assistance is currently at \$100 per hour.
  - d) **Asset Management Fee**- the Housing Commission charges a 15-year capitalized asset management fee of **\$15,000** and is paid at close of escrow.
  - e) **Third-Party Construction Review** - the Housing Commission may require a third-party



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review of the construction costs/budget to determine the reasonableness of construction costs. The third-party reviewer will be selected by the Housing Commission and paid for by the borrower. Current fees are an estimated \$12,500 paid by the developer at close of escrow.

- f) Environmental Noticing Fee - publishing/filing costs will be determined and paid at close of escrow.

21. **Fees for Asset Management** (amounts not to exceed)-

- a. As detailed in paragraph 4 (above), the year 1 “Limited Partnership Fees” shall be capped at \$25,000 per year and shall not increase more than 3.0% annually. “Limited Partnership Fees” include Asset management fees related to the investor and general partner’s management of the Project.
- b. Unpaid General Partner fees shall not accrue. The Housing Commission will require the Limited Partnership Agreement to explicitly state this requirement.
- c. Any changes to the asset management partnership fees will require the prior written approval of the Housing Commission’s President and CEO or their designee.

22. **Financing Gap** - The Borrower will cover any financing gap that arises after Housing Commission underwriting, with its equity, its developer fee, and/or other non-Housing Commission sources, all of which shall be subject to the approval of the Housing Commission in its sole discretion and will not be unreasonably withheld. No additional Housing Commission funds, beyond this Letter of Intent’s \$7,955,600, will be provided for the Project in any Housing Commission’s future Notices of Funds Available.

23. **Funding Sources** - The Housing Commission may fund the Housing Commission Loan from various sources including local, State, and/or federal funds including HOME Investment Partnership Program funds. The Housing Commission reserves the right to allocate available program funds in the best interest of the Housing Commission. In the event the Housing Commission ultimately determines to fund (all or part) of the Housing Commission Loan using any HOME funds, then Borrower shall comply with the HOME programs rules and regulations, Federal Davis Bacon law and Section 3.

24. **HOME Investment Partnerships (HOME) Funds** -

HOME funds are currently planned to partly fund the Commission Loan. In the event the Housing Commission funds all or part of the Housing Commission Loan using any HOME funds, then:

- a. HOME program regulations will be applicable.
- b. HOME funds may not be used to fund any of the following:
  - i) Any reserves are not eligible for HOME funds (including but not limited to operating reserves).



- ii) Offsite improvements are not eligible for funding with HOME funds.
- iii) Furnishings costs are not eligible for funding with HOME funds.
- iv) Commercial space improvements are not eligible for funding with HOME funds.
- c. The HOME IDIS funding system requires at least one HOME draw in a 12-month period and at least a small portion of the HOME funds must remain in the IDIS system until the Project is ready for occupancy.

25. **Insurance** - Borrower shall at all times during the term of the Housing Commission Loan maintain General Liability and Property Insurance (fire and extended coverage), workers compensation, builder's completed value risk insurance against "all risks of physical loss" (during construction) and, if required by the Housing Commission, flood and earthquake insurance, in forms acceptable to the Housing Commission and approved by the Housing Commission's General Counsel. The San Diego Housing Commission, the Housing Authority of the City of San Diego, and the City of San Diego shall be listed as additional insureds for General Liability Insurance and in the General Contractor's Insurance policy and as loss payees for Property Insurance. Evidence of borrower's insurance coverage shall be provided to the Housing Commission prior to close of escrow.

26. **Loan Disbursement Schedule** - Upon submittal and approval of eligible costs, the Housing Commission Loan (up to **\$7,955,600**) will be disbursed as follows:
- Up to 75 percent (**\$5,966,700**) at escrow closing.
  - Up to 10 percent (**\$795,560**) to be distributed at 50 percent construction completion,
  - Up to 10 percent (**\$795,560**) to be withheld until the issuance of a Certificate of Occupancy and all unconditional lien releases are forwarded to the Housing Commission.
  - Up to 5 percent (**\$397,780**) upon conversion to permanent financing.
- a. The Housing Commission's President and Chief Executive Officer, or their designee, is authorized to modify the Housing Commission Loan disbursement schedule in their sole reasonable discretion.
  - b. In the event the Housing Commission funds (all or part) of the Housing Commission Loan using HOME funds, then a portion of the HOME funds shall be withheld until final inspection approval and all unconditional lien releases are forwarded to the Housing Commission.
  - c. Housing Commission Loan proceeds shall be disbursed for work completed upon Housing Commission approval of payment requests in a form approved by the Housing Commission. Verifiable documentation of expenses must be submitted with all payment requests.



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27. **Management of the Development** -
- a. **Management Plan** - Prior to occupancy the Borrower shall submit a Management Plan to the Housing Commission for its review and approval. The Management Plan shall be subject to initial and periodic approval by the Housing Commission, at its reasonable discretion.
  - b. **Approval of Management Fee** - The Borrower's proposed property manager's fee must be approved by the Housing Commission.
  - c. The Housing Commission reserves the right to declare Borrower in default of the loan agreement after an uncured ninety (90) day written notice of malfeasance and/or misfeasance in management of the Project.
  - d. **Manager's Units** - Experienced on-site management is required. There shall be one manager's unit.
  - e. **Marketing Plan** - In the event the Housing Commission funds (all or part) of the Housing Commission Loan using HOME funds, then to ensure compliance with HOME regulations and with federal fair housing requirements prior to occupancy, the Borrower shall submit a proposed marketing plan for review and approval by the Housing Commission's Civil Rights Analyst in the Procurement and Compliance Division.
28. **Maximum Resident Service Expenses & Case Management** - For the calculation of Housing Commission's residual receipts the attached pro forma's operating expense budget models an annual \$193,065 Social Services Expenditure with a 3.5 percent annual escalator. Increasing this amount will require prior Housing Commission written approval.
29. **Annual Budget Submittal** - Three months prior to the end of each calendar year, the Borrower shall submit an annual budget for Housing Commission review and prior approval.
30. **Project Based Vouchers**- This Project will have Eighty-Four (84) Federal Project Based Vouchers (PBV) from the Housing Commission.
31. **Prevailing Wage**- It is anticipated that the Project will be subject to Federal Davis-Bacon prevailing wage rates because Federal Project Based Vouchers are being utilized for this Project.
32. **Recourse** - The Housing Commission Loan will be recourse until the timely completion of the construction, after which it will become non-recourse.
33. **Reserves**: Replacement reserves and operating reserves must be consistent with lender



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and equity investor requirements. The Housing Commission reserves the right to require higher operating or replacement reserves.

- a. Replacement Reserve -The attached proforma models an annual replacement reserve at **\$63,000 (\$500 per unit per year)**.
- b. Operating Reserve - The attached proforma models a 3-month capitalized operating reserve at **\$720,117** at conversion to permanent financing. The operating reserve is to be maintained for the entire term of the Housing Commission Loan.
- c. Disbursements from Reserves: Housing Commission prior written approval shall be required for any and all disbursements from either the Project's operating reserve funds and/or from the Project's replacement reserve funds.

34. **Section 3** - In the event the Housing Commission funds (all or part) of the Housing Commission Loan using any HOME funds, then Section 3 of the HUD Act of 1968 will be applicable and Borrower should be familiar with, and remain in compliance with, all Section 3 requirements.
  
35. **Security** -The Housing Commission Loan will be secured by a Declaration of Covenants, Conditions and Restrictions (CC&R) and a Deed of Trust which will be senior to the deeds of trust and security instruments securing all other sources of funds secured by the Property, except that the Housing Commission's CC&R and Deed of Trust shall be subordinated to:
  - a) The deed of trust and security instruments securing the construction and permanent loan.
  - b) **Lien position** - The lien positions will be approved by the Housing Commission's President and CEO and the Housing Commission's General Counsel. It is intended that the lien positions will be in conformance with the public lenders' program requirements, and the requirements of private lenders which may require Housing Commission subordination.
  - c) **Cure Rights** - The Housing Commission shall have the right, but not the obligation, to cure all senior encumbrances in all subordinating agreements that it executes. All subordination agreements shall be subject to the sole approval of the Housing Commission's President and Chief Executive Officer and General Counsel.
  
36. **Tenant Service Delivery Plan** - Borrower shall submit a draft tenant service delivery plan 90-days prior to occupancy for Housing Commission staff review and comment. Borrower shall submit a revised draft incorporating Housing Commission comment prior to occupancy of the first tenant. A final tenant service deliver plan shall be subject to the approval of the Housing Commission in its reasonable discretion and will not be unreasonably withheld prior to Project lease up.



37. **Title (ALTA Lender’s Policy)** - The Borrower shall acquire, at its sole cost and expense, an ALTA Lender’s Policy for the Housing Commission Loan with endorsements acceptable to the Housing Commission.

38. **Miscellaneous Additional Conditions** - The Housing Commission reserves the right to impose such additional conditions in the final documentation of the transaction as are reasonably necessary to protect the interests of the Housing Commission and fulfill the intent of this letter.

39. **Exhibit A - Proforma** - is attached hereto and is hereby incorporated.

If the Borrower is willing to proceed on the terms and conditions referenced herein, please execute this letter of intent and return it to the undersigned by March 1, 2024, so that this letter of intent may be attached to the Housing Commission Board report.

**ACKNOWLEDGED AND AGREED TO BY:**

KINDRED CORTEZ HILL LP,  
a California limited partnership

By: Kindred Cortez Hill LLC,  
a California limited liability company  
Its: General Partner

By: BRIDGE Housing Corporation,  
a California nonprofit public benefit corporation  
Its: Sole Member and Manager

By: Mary Jane Jagodzinski  
Name: Mary Jane Jagodzinski  
Its: Senior Vice President of Development

San Diego Housing Commission  
DocuSigned by:

By: Jennifer Kreutter  
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**Print Name: Jennifer Kreutter**  
VP Of Real Estate Finance Operations  
**Title: Real Estate Finance**

**Date: 3/5/2024**



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**Attachment: Exhibit A Developer's Pro forma**



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DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/  
ENTITY SEEKING GRANT/BORROWERS  
(Collectively referred to as "CONTRACTOR" herein)  
Statement for Public Disclosure

1. Name of CONTRACTOR: BRIDGE Housing Corporation
2. Address and ZIP Code: 600 California Street, Suite 900, San Francisco, CA 94108
3. Telephone Number: 415-989-1111
4. Name of Principal Contact for CONTRACTOR: Aruna Doddapaneni, Senior Vice President
5. Federal Identification Number or Social Security Number of CONTRACTOR: 94-2827909
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:

- A corporation (Attach Articles of Incorporation)
- A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status)
- A partnership known as: \_\_\_\_\_  
(Name)

Check one:

- General Partnership (Attach Statement of General Partnership)
- Limited Partnership (Attach Certificate of Limited Partnership)
- A business association or a joint venture known as: \_\_\_\_\_  
(Attach joint venture or business association agreement)
- A Federal, State or local government or instrumentality thereof.
- Other (explain)

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

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

8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
  - a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10 percent of any class of stock.
  - b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.

- c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
- d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
- e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10 percent.(Attach extra sheet if necessary)

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

- 9. Has the makeup as set forth in Item 8(a) through 8E 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 8E will change within the next twelve (12) months? If yes, please explain in detail.  
No
- 11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8, which gives such person or entity more than a computed 10 percent interest in the CONTRACTOR (for example, more than 20 percent of the stock in a corporation that holds 50 percent of the stock of the CONTRACTOR, or more than 50 percent of the stock in the corporation that holds 20 percent of the stock of the CONTRACTOR):

N/A

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

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

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of any 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.

**The development will have multiple affiliate entities. Please see organizational chart below:**



The project will be owned by a single Limited Partnership, Kindred Cortez Hill LP. Kindred Cortez Hill LLC, the General Partner for the LP will be a BRIDGE affiliated Limited Liability Corporation (LLC). BRIDGE Housing Corporation is the sole member and manager of the LLC.

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

**See financial statement for BRIDGE Housing Corporation submitted separately.**

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:

**Financing of the project is expected to come from a mixture of public and private financing, specifically using Low Income Housing Tax Credits and/or Bonds, funding from the San Diego Housing Commission and other sources.**

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

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

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 (\$)

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

**Wells Fargo; 333 Market Street, 17th Floor, San Francisco, CA 94105  
Contact: Jeff Bennet**

**Bank of America; 555 California Street, 6th Floor, San Francisco, CA 94104  
Contact: Adam Cray**

**U.S. Bancorp; 621 Capitol Mall, Suite 800, Sacramento, CA 95814  
Contact: Lisa Gutierrez**

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, give date, place, and under what name.

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

Yes                       No

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

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

**Bonds are normally undertaken by the general contractor, not BRIDGE Housing Corp.**

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

**Not Applicable – a General Contractor to be utilized, not BRIDGE Housing Corp.**

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

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:

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

Project Name	
--------------	--

<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

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:

**BRIDGE Housing Corporation and its affiliates will not act as contractor or builder.**

**For information on CW Driver, please refer to the General Contractor Experience attachment in this application.**

23. Does any member of the governing body of 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 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:

**No other statements are attached.**

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

Yes                       No

If yes, explain:

26. State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following 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 SDHC setting forth the provisions of this nondiscrimination clause.
28. The CONTRACTOR warrants and certifies that it will not, without prior written consent of SDHC, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of 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 SDHC, the AUTHORITY and/or the CITY, and no member of the governing body of the locality in which the PROJECT is situated, no member of the governing body in which 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:

**No issues to report.**

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

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**

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 SDHC.

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

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

**BRIDGE Housing Corporation is the largest non-profit developer of affordable housing in California and has successfully developed over 21,000 homes in its 39-year history.**

35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, and SALES of Real Property to 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
2/27/2013	Paseo at COMM22 – SDHC Loan	In Repayment	\$500,000
2/27/2013	Paseo at COMM 22 – City of San Diego Loan	In Repayment	\$9,255,000
10/1/2013	Victoria at COMM22- SDHC Loan	In Repayment	\$3,455,743
2/1/2013	Celadon 4% - City of San Diego RDA Loan	In Repayment	\$18,873,436
2/1/2013	Celadon 9% - City of San Diego RDA Loan	In Repayment	\$2,3896,985

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

Yes                       No

If yes, explain:

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

Yes                       No

If yes, explain:

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

1. Name: Civic San Diego – Sherry Brooks  
Address: 8989 Rio San Diego Dr., Suite 100, San Diego, CA 92108  
Phone: (619) 533-7190  
Project Name and Description: Celadon at 9<sup>th</sup> and Broadway – San Diego, CA
2. Name: KTG Y – Chris Texter  
Address: 17992 Fitch, Irvine, CA 92614  
Phone: (949) 851-2133

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

3. Name: City of Long Beach – John Keisler

Address: 411 W. Ocean Blvd., 10<sup>th</sup> floor, Long Beach, CA 90802

Phone: (562) 570 - 5282

Project Name and Description: Anaheim & Walnut – Long Beach, CA

39. Give 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.

**BRIDGE Housing Corporation and its affiliates will not act as contractor or builder.**

**For information on CW Driver, please refer to the General Contractor Experience attachment in this application.**

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

**No Construction Superintendent is proposed at this time. General Contractor to propose at a later date.**

**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 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 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 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 25<sup>th</sup> day of October, 20 22, at San <sup>Francisco</sup> ~~Diego~~, California.

CONTRACTOR

By:   
Signature

Senior Vice President  
Title

**CERTIFICATION**

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

By: R. Rebado By: \_\_\_\_\_  
Title: Senior Vice President Title: \_\_\_\_\_  
Dated: 10/25/2022 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**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of SAN FRANCISCO

Subscribed and sworn to (or affirmed) before me on this 25 day of OCTOBER, 20 22

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



Wanda Marie Blackmon  
Signature of Notary

SEAL