



EXECUTIVE SUMMARY

MEETING DATE: April 25, 2025

HCR25-018

SUBJECT: Supplemental Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Sea Breeze Gardens Apartments

COUNCIL DISTRICT: 4

ORIGINATING DEPARTMENT: Real Estate Division

CONTACT/PHONE NUMBER: Colin Miller (619) 578-7429

REQUESTED ACTION:

Take the initial steps to issue a supplemental allocation of up to \$7,500,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds to facilitate the acquisition and rehabilitation of a 268-unit affordable housing development at 4802-4890 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group in Council District 4, which will consist of 266 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income, one of which is a restricted manager's unit, and two unrestricted managers' units.

EXECUTIVE SUMMARY OF KEY FACTORS:

- On April 12, 2024, and May 21, 2024, the SDHC Board (Report No. HCR24-044) and the Housing Authority (Report No. HAR24-009; Resolution No. HA-2013), respectively, approved the issuance of tax-exempt Multifamily Housing Revenue Bonds in the aggregate amount not to exceed \$75,000,000 to facilitate the acquisition and rehabilitation of Sea Breeze Gardens.
- On June 14, 2024, \$75,000,000 of tax-exempt bonds were issued. Following the issuance, the rehabilitation of the property commenced on June 17, 2024.
- In fall 2024, the developer asked SDHC to submit a \$7,500,000 supplemental tax-exempt bond application to CDLAC. This would increase the tax-exempt bond allocation from \$75,000,000, which was approved in early 2024, to \$82,500,000 for Sea Breeze Gardens Apartments.
- The developer, Lincoln Avenue Communities (LAC) states the supplemental request is being made due to construction cost increases and additional hard costs relating to unforeseen circumstances discovered during the construction process.
- Sea Breeze Gardens Apartments is an existing multifamily affordable housing development in the Chollas Valley neighborhood of San Diego with 266 affordable units and two unrestricted managers' units.
- The proposed rehabilitation with supplemental allocation will be in excess of the repairs categorized as immediate and short-term (one to three years) within the Physical Conditions Report (PCR), as the developer is proposing approximately \$28.45 million of renovations to extend the property's useful life and preserve the affordability term for a new 55 years.
- The scope will include, but is not limited to, new in-unit appliances, plumbing and lighting fixtures, flooring, cabinet and countertop replacement, full roof replacement, renovated community amenities, landscaping, and general site work repairs, including updates to meet current ADA accessibility requirements, new access control/fob and security camera system, solar panels, and free cable and internet for all residents.
- Construction is projected to be complete by December 31, 2025.
- The estimated total development cost is \$165,036,831 (\$615,809/unit).



REPORT

DATE ISSUED: April 17, 2025

REPORT NO: HCR25-030

ATTENTION: Chair and Members of the San Diego Housing Commission Board of Commissioners
For the Agenda of April 25, 2025

SUBJECT: Supplemental Preliminary Bond Authorization and Tax Equity and Fiscal
Responsibility Act (TEFRA) Hearing for Sea Breeze Gardens Apartments

COUNCIL DISTRICT: 4

Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) hearings are scheduled to be heard by the San Diego Housing Commission (SDHC) Board of Commissioners on April 25, 2025, at 9 a.m. Any two members of the Housing Authority of the City of San Diego (Housing Authority) or San Diego City Council (City Council) may request that these hearings not take place and instead be heard by the Housing Authority and City Council by giving notice to the Housing Commission's President & Chief Executive Officer, or designee, within seven days of the date of this notice.

REQUESTED ACTION

Take the initial steps to issue a supplemental allocation of up to \$7,500,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds to facilitate the acquisition and rehabilitation of a 268-unit affordable housing development at 4802-4890 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group in Council District 4, which will consist of 266 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income, one of which is a restricted manager's unit, and two unrestricted managers' units.

STAFF RECOMMENDATION

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

- 1) Approve the following steps to issue a supplemental allocation of up to \$7,500,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds to facilitate Sea Breeze Gardens Preservation LP's rehabilitation of the Sea Breeze Gardens Apartments at 4802-4890 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, which consists of 266 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income (AMI), one of which is a restricted manager's unit, and two unrestricted managers' units:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) to issue a supplemental allocation of up to \$7,500,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the rehabilitation of Sea Breeze Gardens Apartments by Sea Breeze Gardens Preservation LP;
 - b. Authorize an application (and subsequent applications, if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt private activity bonds in an amount up to \$7,500,000 for Sea Breeze Gardens Apartments; and
 - c. Approve the financing team of Jones Hall as the Bond Counsel and Public Financial Management (PFM) as the Financial Advisor.

- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.
- 3) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing regarding the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$7,500,000 to facilitate the development of Sea Breeze Gardens Apartments.

SUMMARY

Table 1 – Development Details

Address	4802-4890 Logan Avenue, San Diego, CA 92113
Council District	Council District 4
Community Plan Area	Chollas Valley Neighborhoods Community Plan
Developer	Lincoln Avenue Communities (LAC)
Development Type	Preservation; Acquisition & Rehabilitation
Construction Type	Wood Frame (Type V), 36 two-story buildings, 1 commercial building, 1 community clubhouse and 6 standalone laundry facilities
Parking Type	294 parking spaces in a surface lot (263 residential stalls, 25 accessible stalls for people with disabilities, 6 van accessible stalls for people with disabilities, and 6 commercial stalls).
Local Amenities	<p><u>Mass Transit</u>: Stop ID #11000 is immediately adjacent to the property's parking lot. Stop ID #10629 is directly across the street.</p> <p><u>Grocery</u>: Sundance market (0.2 of a mile from the property)</p> <p><u>Schools</u>: Porter Elementary School (0.4 of a mile from the property) Harley Knox Middle School (0.1 of a mile from the property) Lincoln High School (1.0 mile from the property)</p>
Housing Type	Affordable Family
Accessibility	Wheelchair accessibility in 10 percent of the units, and 4 percent of the units accessible to residents with visual and/or hearing impairment.
Lot Size	16.07 Acres
Units	266 affordable units and two unrestricted manager's unit
Density	17 units/acre; (268 units ÷ 16.07 acres)
Unit Mix	100 two-bedroom and 168 three-bedroom units
Gross Building Area	271,809 square feet
Net Rentable Area	250,600 square feet
Affordable Units in Service by Council District	Council District 4 includes 3,349 affordable rental housing units currently in service, which represents 12.3 percent of the 27,173 affordable rental housing units in service citywide.

Background

On July 21, 2023, the SDHC Board (Report No. HCR23-082; Resolution HC-1992) approved taking preliminary steps to authorize the issuance of up to \$75,000,000 of tax-exempt Multifamily Housing Revenue Bonds to facilitate the acquisition and rehabilitation of Sea Breeze Gardens and held a Tax

Equity and Fiscal Responsibility Act (TEFRA) public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986.

On December 6, 2023, CDLAC approved a \$75,000,000 tax-exempt bonds allocation, and the California Tax Credit Allocation Committee (CTCAC) approved a 4 percent tax credits allocation.

On April 12, 2024, and May 21, 2024, the SDHC Board (Report No. HCR24-044) and the Housing Authority (Report No. HAR24-009; Resolution No. HA-2013), respectively, approved the issuance of tax-exempt Multifamily Housing Revenue Bonds in the aggregate amount not to exceed \$75,000,000 to facilitate the acquisition and rehabilitation of Sea Breeze Gardens.

On April 12, 2024, the SDHC Board also held a duly noticed TEFRA public hearing pursuant to section 147(f) of the Internal Revenue Code of 1986 (Code). The published notice stated the maximum principal amount of the proposed tax-exempt bonds for the project as \$75,000,000. On May 21, 2024, the City Council approved the issuance of tax-exempt Multifamily Housing Revenue Bonds pursuant to section 147(f) of the Code in an aggregate amount not to exceed \$75,000,000.

On June 14, 2024, \$75,000,000 of tax-exempt bonds were issued. Following the issuance, the rehabilitation of the property commenced on June 17, 2024, when the Notice to Proceed was issued.

In fall 2024, the developer asked SDHC to submit a \$7,500,000 supplemental tax-exempt bond application to CDLAC. This would increase the tax-exempt bond allocation from \$75,000,000, which was approved in early 2024, to \$82,500,000 for Sea Breeze Gardens Apartments.

The developer, Lincoln Avenue Communities (LAC) states the supplemental request is being made due to construction cost increases and additional hard costs relating to unforeseen circumstances discovered during the construction process. Due to the age of the building, significant structural and electrical repairs and updates are needed in Americans with Disabilities Act (ADA) units and the clubhouse as well as additional structural repairs to metal stairs, building water shut-off valves and pressure reducing valves. The supplemental bonds will also be used to improve resident quality of life and project durability, including access control upgrades, resurfacing of bathtubs, new ceiling fans, grease shields, sink liners, and medicine cabinets in all units, implementation of solar panels, and free internet for all residents. Granite Communications & Security is providing internet and cable in all units and community areas free of charge. The increase in the tax-exempt bond amount is needed to allow the project to continue to qualify for the receipt of 4% federal tax credits. Because the request is no more than 10 percent above the original tax-exempt bond allocation, CDLAC can approve administratively as opposed to requiring formal CDLAC board approval.

The Development

Sea Breeze Gardens Apartments at 4802-4890 Logan Ave. is an existing multifamily affordable housing development on approximately 16.07 acres in the Chollas Valley neighborhood of San Diego. A site map is at Attachment 1. It is about 6.5 miles east of downtown San Diego, just east of Interstate 805, steps away from a public bus stop and within walking distance to parks, schools and convenience stores. Sea Breeze Gardens Apartments was originally constructed in 1968 and underwent a Low-Income Housing Tax Credit (LIHTC) rehabilitation in 2008. In addition, 100 percent of the affordable units are covered by a Project-Based Section 8 contract administered by Los Angeles LOMOD Corporation. The development consists of 268 units (two- and three-bedroom units) across 36 two-story, garden-style buildings, as well as a standalone clubhouse, playground, six laundry facilities, and a commercial space occupied by Children of the Rainbow. Children of the Rainbow is a childcare provider that operates Monday – Friday from 6 a.m. – 6 p.m. and accepts children up to 5 years old. The commercial space improvements will include accessible site path and roofing improvements. No bond proceeds will be used for the rehabilitation of the commercial space. All rehabilitation of the commercial space will be funded by the Seller Carryback Note.

Westview Garden Partners Ltd. acquired Sea Breeze Gardens Apartments in December 2021. At the proposed resyndication closing, Sea Breeze Preservation LP will purchase Sea Breeze Gardens Apartments. FPI Management Company manages the property, and Pacific Housing Inc. provides resident services. Sea Breeze Gardens Apartments has been well-managed and is currently 95% occupied; however, rehabilitation is necessary to preserve the quality of the property's affordable housing units, as stated in the Physical Conditions Report (PCR) dated June 30, 2023.

The proposed rehabilitation with supplemental allocation will be in excess of the repairs categorized as immediate and short-term (one to three years) within the PCR, as the developer is proposing approximately \$28.45 million of renovations to extend the property's useful life and preserve the affordability term for a new 55 years. The scope will include, but is not limited to, new in-unit appliances, plumbing and lighting fixtures, flooring, cabinet and countertop replacement, full roof replacement, renovated community amenities, landscaping, and general site work repairs, including updates to meet current ADA accessibility requirements, new access control/fob and security camera system, solar panels, and free cable and internet for all residents. Sea Breeze Gardens Apartments currently provides ample on-site amenities, including a playground, six laundry facilities, controlled gated access, security patrol, and standalone leasing office with clubhouse. As part of the rehabilitation, all current amenities will be updated. Each unit is assigned one parking stall, while the remainder are first come, first serve for guests and staff. The entire parking lot will be slurry sealed and striped and will include 294 total parking spaces. A scope of proposed rehabilitation work is included as Attachment 2.

Construction commenced on June 17, 2024, and is projected to be complete by December 31, 2025. The construction team mobilized and coordinated during the week of June 17, 2024, and began construction immediately. Laundry rooms electrical GFIs, title 24 devices, lighting and countertops have all been replaced. All roof shingles at the clubhouse, laundry buildings, and commercial space have been replaced. All ADA units and the community building renovation are nearly complete, including demolition, abatement, plumbing, backfill, concrete pour back, and non-structural framing. The team is currently in the process of re-piping throughout the community, replacing exterior lighting, water heaters, roof coating, and exterior paint. Total construction is about 35 percent complete as of early February 2025.

Services

Sea Breeze Gardens Apartments residents will continue to have access to a range of community services provided by Pacific Housing Inc. at no cost to the residents. The After School Connect (ASC) Program for children ranging from 7 to 12 years old includes tutoring, mentoring, homework assistance, music and art appreciation, arts and crafts, outdoor games and sports, cooking and nutritional education, pen pals and letter-writing skills, etiquette and social skill development, and confidence-building exercises. The ASC Program will be available on weekdays throughout the school year. The Living Out Loud (LOL) program for teens ranging from 13 to 17 years old includes homework assistance, leadership development, community awareness, recreation, social skill development, and healthy lifestyles. Lastly, depending on needs and interests of the member of the community, on-site instruction will be offered throughout the year.

Pacific Housing Inc.'s service coordinators will continue to work with residents individually through the use of a needs assessment/survey to determine how they can best be assisted. Residents are provided with information about available services in the community and help to access those services, such as utility discounts, clothing, and food assistance.

Prevailing Wages

The proposed development is not subject to payment of California State nor federal prevailing wages because the developer is not proposing to use either California State or federal financing that requires prevailing wages.

Appraisal

An appraisal of the subject site with an effective date of June 30, 2023, valued the property at \$116,400,000. The appraisal was obtained by the developer and was conducted by CBRE Inc.

Relocation

In accordance with CTCAC regulation 10322(H)(28), the developer utilized a relocation consultant, Revival Development Services, to complete a comprehensive relocation plan to ensure no resident of Sea Breeze Gardens Apartments will be permanently displaced due to this rehabilitation. The development budget includes a \$2,750,000 budget to temporarily relocate residents during rehabilitation at no cost to residents.

The relocation team from Revival Development Services meets regularly with site property management and construction teams to ensure current and accurate information regarding renovation status and timing is communicated to residents. Each tenant has been interviewed to gather useful information for structuring each tenant's individual relocation plan. This has helped the relocation team determine if reasonable accommodations are needed during the temporary relocation. Reasonable accommodations include the provision of transportation assistance, relocation to physically accessible sites near public transportation, and modifications to policies to allow individuals with disabilities to reside with a live-in aide. Expenses related to providing reasonable accommodations and meal stipends during the temporary relocation are included in the relocation plan.

The renovations are moving sequentially from Building 1 to Building 36, with six units completed per week over 41 weeks. Units are started two at a time, with the top and bottom floor done simultaneously. Work on the typical unit has taken up to 15 days per unit to complete, while fully accessible ADA units have taken up to 30 days per unit to complete. The substantial rehabilitation has resulted in the temporary on-site, off-site relocation and the possible transfer to an already completed vacant unit. The clubhouse and other common spaces are furnished for the daytime use of the tenants who are temporarily displaced during their unit renovation, effectively serving as "hospitality suites" that provide tenants access to a bathroom, television, refreshments and entertainment options. It is estimated that no residents will be permanently relocated, and all will return to their original apartment home or another on-site comparable unit after the rehabilitation.

As an alternative relocation solution, some residents may identify another household, such as a relative or friend, with whom they can reside during the rehabilitation period, which would allow them to effectuate their own relocation plan.

Accessibility

CTCAC requires wheelchair accessibility in 10 percent of the units, and an additional 4 percent of the units are required to have communication features for residents with visual and/or hearing impairment. The same units can satisfy both of these accessibility requirements. The Sea Breeze Gardens units will be accessible in accordance with the ADA and Section 504.

Project Sustainability

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

Development Team

The developer, Lincoln Avenue Communities (LAC), is an owner, developer, and investor in affordable housing. LAC's mission and goal is to provide and preserve affordable housing throughout communities

across the country. LAC currently owns and operates over 30,500 units across 170 different properties across 28 states. LAC has experience with numerous tax credit rehabilitations, taking part in the resyndication and accompanying rehabilitation of over 4,000 units. All have utilized 4 percent Low-Income Housing Tax Credits and issuances of tax-exempt bonds, with a variety of financing sources.

During the tax credit compliance period, Sea Breeze Gardens Apartments will be owned by Sea Breeze Gardens Preservation LP, a California limited partnership (a single-asset limited partnership), consisting of Pach Sea Breeze Holdings, LLC, an affiliate of Pacific Housing, Inc., as the Managing General Partner, and Sea Breeze Gardens GP LLC as the Co-General Partner. The tax credit limited partner will be Berkadia Affordable Tax Credit Solutions or its affiliate, with Berkadia Affordable Manager, LLC as a Special Limited Partner. (Attachment 3 – Organization Chart).

Table 2 – Development Team Summary

ROLE	FIRM/CONTACT
Developer	Lincoln Avenue Communities
Owner/Borrower	Sea Breeze Gardens Preservation, LP
Managing General Partner	Pach Sea Breeze Holdings, LLC, an affiliate of Pacific Housing, Inc.
Administrative General Partner	Sea Breeze Gardens Preservation GP LLC
Tax Credit Investor Limited Partner	Berkadia Housing Partnership XI 2022 LP
Architect	Ebersoldt +Associates
General Contractor	Paragon Construction Company
Property Management	FPI Management Company (FPI)
Tenant Services Providers	Pacific Housing, Inc.
Construction/ Lender	Sterling Bank
Construction Bridge Lender	Bridgewater Bank
Construction/Permanent Lender	Berkadia Commercial Mortgage LLC servicing on behalf of Freddie Mac

Property Management

Sea Breeze Gardens Apartments is managed by FPI Management Company. Established in 1968, FPI is a nationwide management company, with a management portfolio totaling approximately 74,000 units in 18 states. It is experienced in property management, marketing, maintenance, renovations and tax credit developments. FPI currently manages 17 affordable housing developments for Lincoln Avenue Communities.

FINANCING STRUCTURE

Sea Breeze Gardens Apartments has an estimated total development cost of \$165,036,831 (\$615,809/unit). Financing will include a combination of sources as described in Table 3. The developer's pro forma is included as Attachment 4 and summarized below. No SDHC cash loan funds are proposed for Sea Breeze Gardens.

Table 3 – Estimated Sources and Uses of Financing

Financing Sources	Amount	Financing Uses	Amount	Per Unit
Bond Financed Permanent Loan (tax-exempt)	\$75,000,000	Acquisition	\$116,400,000	\$434,328
Direct Taxable First Mortgage (Freddie Mac)	22,250,000	Construction Cost	28,450,185	106,157
GP Capital Contribution	200	Project Soft Costs	4,056,140	15,135
Federal Tax Credit Equity	57,918,000	Tax Credit Fees	265,026	989

Seller Carryback Note (Residential)	6,364,805	Bond Costs	626,375	2,337
Seller Carryback Note (Commercial)	228,000	Bridge Loan Costs	4,244,189	15,837
Reserved Cash Flow	1,089,158	Permanent Loan Costs	1,821,012	6,795
Solar	627,837	Construction Loan Costs	371,578	1,185
Deferred developer's fee	1,558,831	Closing Costs	370,059	1,381
		Escrows and Reserves	2,217,436	8,274
		Developer's Fee	6,214,831	23,202
Total Sources	\$165,036,831	Total Uses	\$165,036,831	\$615,809

Developer Fee

\$6,214,831 - gross developer fee
- 1,558,831 - minus deferred developer's fee
\$ 4,656,000 - net cash developer's fee

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

Development Cost Key Performance Indicators

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

Table 4 – Key Performance Indicators

Development Cost Per Unit	$\$165,036,831 \div 268 \text{ (units)}$	\$615,809
Development Cost Per SQ FT (Gross)	$\$165,036,831 \div 271,809$	\$607
Development Cost Per SQ FT (Net)	$\$165,036,831 \div 250,600$	\$659
SDHC Subsidy Per Unit	--	\$0
Acquisition Cost Per Unit	$\$116,400,000 \div 268 \text{ (units)}$	\$434,328
Gross Building Square Foot Hard Cost	$\$28,450,185 \div 271,809 \text{ sq. ft.}$	\$105
Net Rentable Square Foot Hard Cost	$\$28,450,185 \div 250,600 \text{ sq. ft.}$	\$114

The acquisition cost per unit at \$434,328 is derived from the property consisting of 36 individual garden style buildings and all units being large family size at either two or three bedrooms. Additionally, when analyzing the cost of acquisition alone, acquiring a leased-up building is generally more expensive than acquiring a vacant lot or a building that will be demolished due to its stable revenue stream and a decreased risk profile of an existing rent-producing building.

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 rehabilitation, 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 HC Subsidy Per Unit	Gross Hard Cost Per Sq. Ft.	Net Rentable Total Cost Per Sq Ft
Proposed Subject – Sea Breeze Gardens Apartments	2024	268	\$165,036,831 (w/out prevailing wage)	\$615,809	\$0	\$105	\$114
Green Manor	2024	149	\$78,520,638 (w/out prevailing wage)	\$526,985	\$0	\$139	\$258
Casa Nueva	2023	52	\$27,896,931 (with prevailing wage)	\$536,479	\$103,827	\$196	\$236

TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS

SDHC utilizes the Housing Authority’s tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority’s ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. On July 21, 2023, prior to submitting an application to CDLAC, the proposed development was presented to the SDHC Board. A bond inducement resolution was obtained prior to the application submittal to CDLAC in the amount up to \$75,000,000. On September 6, 2023, an application was submitted to CDLAC for a bond allocation of \$75,000,000. On December 6, 2023, CDLAC approved a \$75,000,000 tax-exempt bonds allocation, and CTCAC approved an allocation of 4 percent tax credits. On April 12, 2024, and May 21, 2024, the SDHC Board (Report No. HCR24-044) and the Housing Authority (Report No. HAR24-009; Resolution No. HA-2013), respectively, approved the issuance of tax-exempt Multifamily Housing Revenue Bonds in the aggregate amount not to exceed \$75,000,000 to facilitate the acquisition and rehabilitation of Sea Breeze Gardens.

Due to increased construction costs and unforeseen issues that were encountered during construction, the project would benefit from additional tax-exempt Multifamily Housing Revenue Bonds. As a result, the developer has asked SDHC to file another application to CDLAC for a supplemental allocation of \$7,500,000, which can be approved administratively by the CDLAC Executive Director. Assuming the receipt of such Supplemental Allocation, the developer proposes that the Housing Authority approve an increase of the tax-exempt bonds in the amount of \$7,500,000 from \$75,000,000 to \$82,500,000. The developer also proposes to utilize the same form of Bond documents approved by the Housing Authority in May 2024 – in essence only changing the authorized tax-exempt bond amount as described above.

The financing amount that will ultimately be set will be based upon development costs, revenues and interest rates prevailing at the time of the bonds issuance. The financing proceeds will be used for both construction financing and permanent financing. Attachment 5 provides a general description of the Multifamily Housing Revenue Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings.

Staff recommends assigning Jones Hall as Bond Counsel and Public Financial Management (PFM) as Bond Financial Advisor to work on the development. The proposed bond financing team members have

been selected in accordance with the existing policy for the issuance of bonds. Financial Advisors and Bond Counsels are selected in accordance with SDHC’s Bond Program Policy.

FISCAL CONSIDERATIONS

The funding sources and uses proposed to be approved by this action are included in the Fiscal Year (FY) 2025 SDHC Budget.

Funding sources approved by this action will be as follows

Bond Issuer Fee – \$7,500,000 (Tax-exempt bonds) X 0.0025 = \$18,750

Total Funding Sources – up to \$18,750

Funding uses approved by this action

Administrative costs - \$18,750

Total Funding Uses - up to \$18,750

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

Estimated Development Schedule

The estimated development timeline is as follows.

Milestones	Estimated Dates
<ul style="list-style-type: none">• CDLAC approval of supplemental bond allocation• SDHC final supplemental bond authorization• Housing Authority final supplemental bond authorization• Estimated Bond issuance and close of escrow• Estimated completion of construction (excluding solar system)• Estimated completion of construction (including solar system)	<ul style="list-style-type: none">• May 2025• June 20, 2025• July 22, 2025• August 2025• December 2025• April 2026

SDHC STRATEGIC PLAN

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

AFFORDABLE HOUSING IMPACT

The Sea Breeze Gardens development will be subject to applicable tax credit and Bond regulatory agreements, which will preserve the property’s affordable status and restrict affordability of 266 units for a new 55-year term. CTCAC’s required rent and occupancy restrictions will apply.

Table 6 – Affordability & Monthly Estimated Rent Table

Unit Type	AMI	Units	CTCAC Gross Rents
Two bedrooms	30% (\$40,950 /year for three-person household)	10	\$1,023
Two bedrooms	50% (\$68,200/ year for three-person household)	10	\$1,705

Two bedrooms	60% (\$81,840 /year for three-person household)	80	\$2,046
Subtotal Two Bedroom Units	--	100	--
Three bedrooms	30% (\$45,450 /year for four-person household)	17	\$1,182
Three bedrooms	50% (\$75,750 /year for four-person household)	17	\$1,970
Three bedrooms	60% (\$90,900 /year for four-person household)	132	\$2,364
Subtotal Three Bedroom Units	--	166	--
Unrestricted Manager's three bedrooms unit	--	2	
Total Units	--	268	--

STATEMENT FOR PUBLIC DISCLOSURE

The developer's Disclosure Statement is at Attachment 6.

NONDISCRIMINATION ASSURANCE

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

Since its founding in 2016, Lincoln Avenue Communities (LAC) has prioritized supporting its residents, investing in the places they call home, and building resilient communities across the country. LAC reported that it is an equal opportunity employer. It prohibits discrimination and harassment of any kind and affords equal employment opportunities to employees and applicants without regard to race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, national origin, disability status, genetic information, protected veteran status, or any other characteristic protected by law.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS

Lincoln Avenue Communities is working with the Chollas Valley Community Planning Group. The proposed development was presented as an information item at the January 29, 2024, meeting.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders include Lincoln Avenue Communities as the developer, the Housing Authority as the bond issuer, Berkadia as a lender and the Chollas Valley neighborhood. Sea Breeze Gardens Apartments will continue to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and preserve 266 affordable rental homes for low-income families.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA)

The proposed activity to authorize the issuance of additional tax-exempt Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds to facilitate Sea Breeze Gardens Preservation LP's acquisition and rehabilitation of Sea Breeze Gardens has been reviewed for consistency with and is covered in the Final Program Environmental Impact Report (PEIR) for the Southeastern San Diego and Encanto Neighborhoods Community Plan Updates (Project No. 386029/SCH No. 2014051075), which was certified by City Council Resolution No. R-310077 on December 2, 2015. This activity is a subsequent discretionary action within the scope of the development program analyzed in the PEIR and is not considered to be 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.

National Environmental Policy Act (NEPA)

NEPA review is not required as no federal funds are involved in this action.

Respectfully submitted,

Jennifer Kreutter

Jennifer Kreutter
Vice President, Multifamily Housing Finance
Real Estate Division

Approved by,

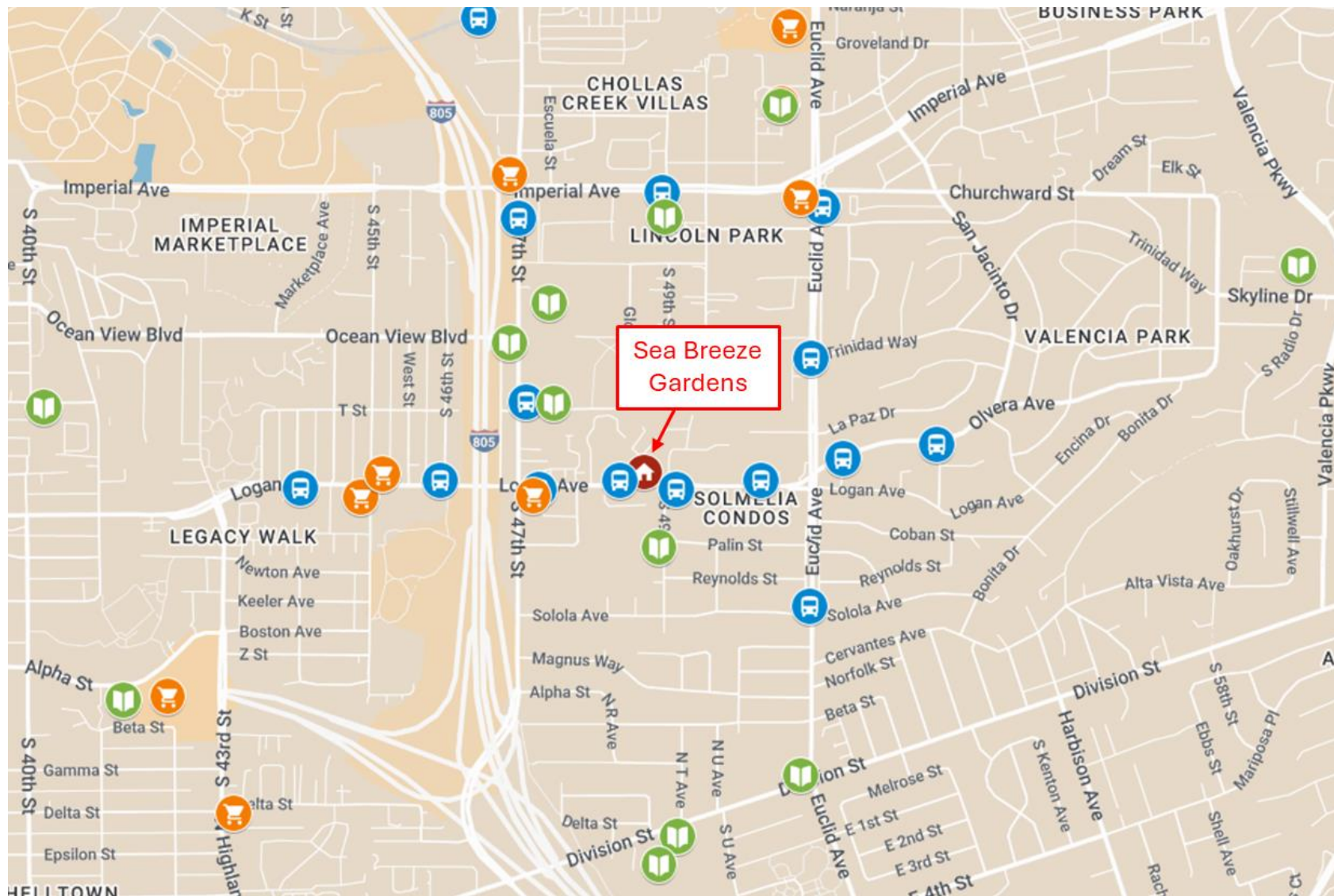
Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

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

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

Attachment 1 – Site Map



Attachment 2 – Rehabilitation Summary

Sea Breeze Gardens Apartments

Supplemental Rehabilitation Summary (2025)

The supplemental request is being made due to additional hard costs relating to unforeseen circumstances discovered during the construction process. Due to the age of the building, significant structural and electrical repairs and updates are needed.

Please see below for LAC's scope of repairs.

- Structural repairs to metal stairs
- Building water shut-off valves and pressure reducing valves
- Access control upgrades
- Resurfacing of bathtubs
- New ceiling fans
- Grease shields
- Sink liners
- Medicine cabinets
- Solar panels
- Installation of community wide wiring, conduit sleeves and in-unit cabling to provide internet and cable free of charge to all residents. Services will be provided by Granite Communications & Security.

Significant additional costs have been incurred for Americans with Disabilities Act (ADA) units and the clubhouse.

- Clubhouse: structural framing, replacement of the fire alarm system.
- ADA units: framing, footing, and beams to bring to current code, relocation of electrical feeders.

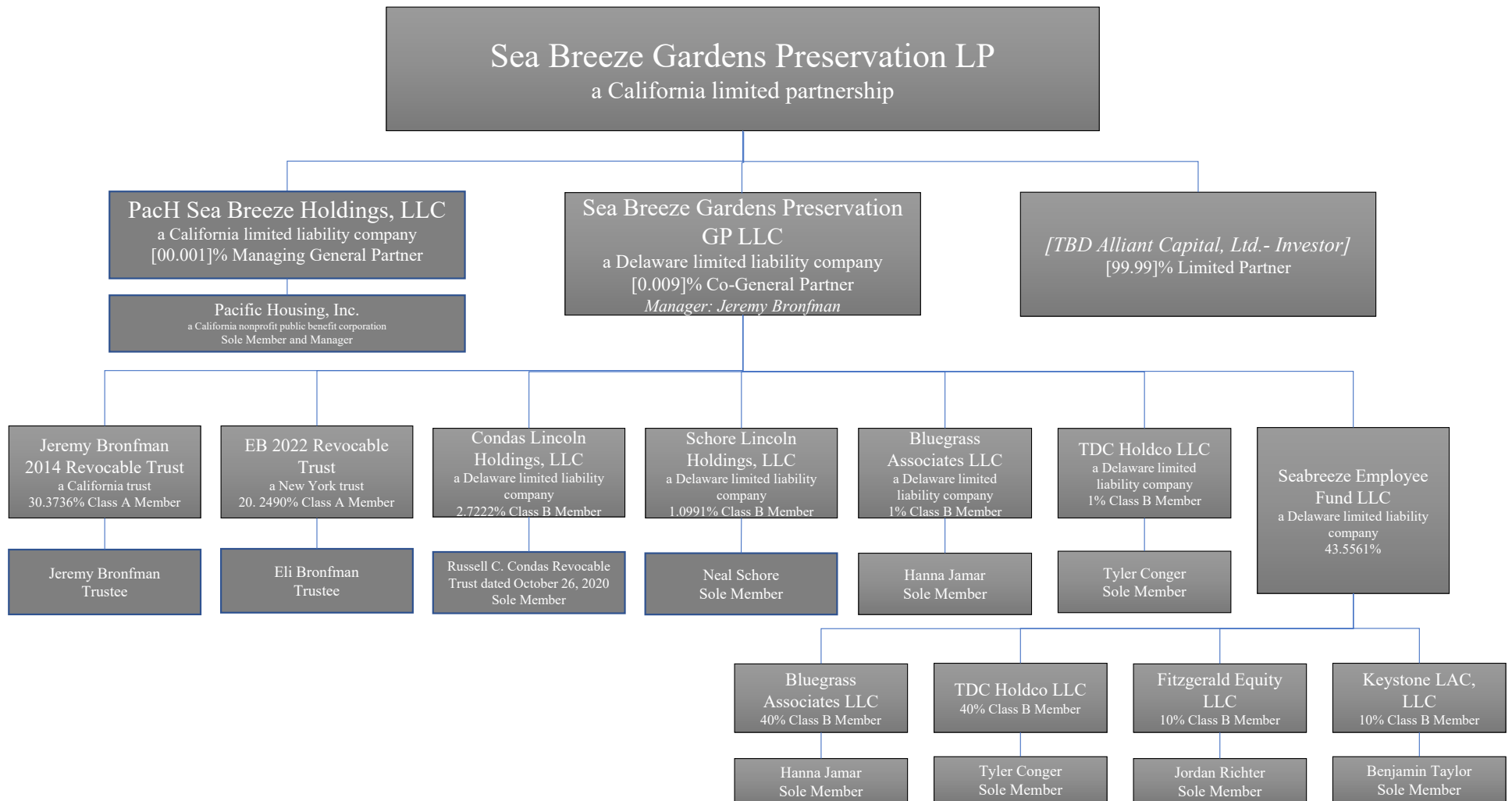
Attachment 2 – Rehabilitation Summary

Sea Breeze Gardens Apartments

Original Issuance Rehabilitation Summary (2024)

Please see below for LAC's scope of repairs.

- Solid surface flooring (LVP) throughout all unit interiors.
- In unit light fixture package. High efficiency systems will be installed to promote less consumption of natural resources and decrease utility costs.
- Energy Star appliance replacements throughout units and common areas.
- In Unit Cabinet and countertop replacement as needed.
- Low Flow Bath accessory package throughout units and common areas.
- HVAC replacement as needed.
- Address all accessibility requirements and required accessible path of travel.
- Full roof replacement.
- 100% add or replace gutter, downspout, splash blocks.
- Parking lot seal and stripe.
- General Landscaping and Site work.
- Common area amenity Renovations
 - Clubhouse
 - Playgrounds
 - FFE for clubhouse
- Fresh Exterior Paint



Sea Breeze Gardens - San Diego, CA

Summary Sources		
	Construction	Permanent
First Mortgage (tax-exempt)	\$ 75,000,000	\$ 75,000,000.00
First Mortgage (taxable)	\$ 22,250,000	\$ 22,250,000.00
GP Capital Contribution	\$ 200	\$ 200.00
LIHTC Equity - 1st Installment	\$ 7,338,805	\$ 7,338,805.00
Addt Construction Funds	\$ 6,095,691	—
Equity Bridge Loan (tax-exempt)	\$ 7,500,000	—
Equity Bridge Loan (taxable)	\$ 31,778,667	
Seller Note	\$ 6,592,805	\$ 6,592,805.00
Solar	—	\$ 627,837.21
Cash Flow	—	\$ 1,089,158.48
LIHTC Equity - 2nd Installment	\$ 692,021	\$ 692,021.00
LIHTC Equity - 3rd Installment	—	\$ 44,017,679.68
LIHTC Equity - 4th Installment	—	\$ 5,116,559.91
LIHTC Equity - 5th Installment	—	\$ 752,933.99
Deferred Developer Fee	—	\$ 1,558,831
Total Sources	\$ 157,248,189	\$165,036,831

Summary Uses		
	Construction	Permanent
Acquisition	\$116,400,000	\$116,400,000
Construction Hard Costs	\$28,450,185	\$28,450,185
Project Soft Costs	\$4,056,140	\$4,056,140
Tax Credit Fees	\$155,146	\$265,026
Bond Costs	\$626,375	\$626,375
Bridge Loan Costs	\$4,244,189	\$4,244,189
Permanent Loan Costs	\$1,821,012	\$1,821,012
Addt. Construction Loan Costs	\$371,578	\$371,578
Closing Costs	\$370,059	\$370,059
Escrows and Reserves	\$61,484	\$2,217,436
Developer Fee	\$692,021	\$6,214,831
Total Uses	\$ 157,248,189	\$165,036,831

Sea Breeze Gardens - San Diego

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PIS DATE																
Year #	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	
Conversion Date	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	
TC Date	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	
Revenue																
Gross Potential Rent	2.0 %	\$10,139,935	\$10,342,734	\$10,549,588	\$10,760,580	\$10,975,792	\$11,195,308	\$11,419,214	\$11,647,598	\$11,880,550	\$12,118,161	\$12,360,524	\$12,607,735	\$12,859,889	\$13,117,087	\$13,379,429
% growth			2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
Total Gross Income		\$10,139,935	\$10,342,734	\$10,549,588	\$10,760,580	\$10,975,792	\$11,195,308	\$11,419,214	\$11,647,598	\$11,880,550	\$12,118,161	\$12,360,524	\$12,607,735	\$12,859,889	\$13,117,087	\$13,379,429
Vacancy	Long Term %	\$(506,997)	\$(517,137)	\$(527,479)	\$(538,029)	\$(548,790)	\$(559,765)	\$(570,961)	\$(582,380)	\$(594,027)	\$(605,908)	\$(618,026)	\$(630,387)	\$(642,994)	\$(655,854)	\$(668,971)
Vacancy %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
Model/Employee		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy %		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Rental Income		\$9,632,938	\$9,825,597	\$10,022,109	\$10,222,551	\$10,427,002	\$10,635,542	\$10,848,253	\$11,065,218	\$11,286,522	\$11,512,253	\$11,742,498	\$11,977,348	\$12,216,895	\$12,461,233	\$12,710,457
Other Income	3.0 %	\$225,617	\$232,386	\$239,357	\$246,538	\$253,934	\$261,552	\$269,399	\$277,481	\$285,805	\$294,379	\$303,211	\$312,307	\$321,676	\$331,327	\$341,267
Total Revenue		\$9,858,556	\$10,057,983	\$10,261,466	\$10,469,089	\$10,680,936	\$10,897,095	\$11,117,652	\$11,342,699	\$11,572,328	\$11,806,632	\$12,045,709	\$12,289,655	\$12,538,571	\$12,792,559	\$13,051,724
Expenses																
	% growth															
G&A	3.0 %	\$146,954	\$144,798	\$149,142	\$153,616	\$158,224	\$162,971	\$167,860	\$172,896	\$178,083	\$183,425	\$188,928	\$194,596	\$200,434	\$206,447	\$212,640
Payroll	3.0 %	\$385,994	\$380,331	\$391,741	\$403,494	\$415,598	\$428,066	\$440,908	\$454,136	\$467,760	\$481,793	\$496,246	\$511,134	\$526,468	\$542,262	\$558,530
Electricity	3.0 %	\$213,675	\$210,541	\$216,857	\$223,363	\$230,063	\$236,965	\$244,074	\$251,397	\$258,938	\$266,707	\$274,708	\$282,949	\$291,437	\$300,181	\$309,186
Gas	3.0 %	\$151,641	\$149,416	\$153,898	\$158,515	\$163,271	\$168,169	\$173,214	\$178,410	\$183,763	\$189,276	\$194,954	\$200,803	\$206,827	\$213,031	\$219,422
Water & Sewer	3.0 %	\$420,458	\$414,290	\$426,718	\$439,520	\$452,705	\$466,287	\$480,275	\$494,683	\$509,524	\$524,810	\$540,554	\$556,771	\$573,474	\$590,678	\$608,398
Trash	3.0 %	\$99,256	\$97,800	\$100,734	\$103,756	\$106,868	\$110,074	\$113,376	\$116,778	\$120,281	\$123,890	\$127,606	\$131,434	\$135,377	\$139,439	\$143,622
Contract Services	3.0 %	\$394,266	\$388,481	\$400,136	\$412,140	\$424,504	\$437,239	\$450,356	\$463,867	\$477,783	\$492,117	\$506,880	\$522,087	\$537,749	\$553,882	\$570,498
Repairs & Maintenance	3.0 %	\$76,923	\$75,795	\$78,068	\$80,411	\$82,823	\$85,308	\$87,867	\$90,503	\$93,218	\$96,014	\$98,895	\$101,862	\$104,917	\$108,065	\$111,307
Turnover	3.0 %	\$41,357	\$40,750	\$41,972	\$43,231	\$44,528	\$45,864	\$47,240	\$48,657	\$50,117	\$51,621	\$53,169	\$54,764	\$56,407	\$58,099	\$59,842
Marketing	3.0 %	\$8,271	\$8,150	\$8,394	\$8,646	\$8,906	\$9,173	\$9,448	\$9,731	\$10,023	\$10,324	\$10,634	\$10,953	\$11,281	\$11,620	\$11,968
Total Controllable Expenses		\$1,938,794	\$1,910,351	\$1,967,661	\$2,026,691	\$2,087,492	\$2,150,116	\$2,214,620	\$2,281,059	\$2,349,490	\$2,419,975	\$2,492,574	\$2,567,351	\$2,644,372	\$2,723,703	\$2,805,414
Management Fee	1.86 %	\$183,275	\$186,982	\$190,765	\$194,625	\$198,563	\$202,582	\$206,682	\$209,040	\$209,040	\$209,040	\$209,040	\$209,040	\$209,040	\$209,040	\$242,637
Insurance	3.0 %	\$148,542	\$152,998	\$157,588	\$162,316	\$167,185	\$172,201	\$177,367	\$182,688	\$188,169	\$193,814	\$199,628	\$205,617	\$211,785	\$218,139	\$224,683
Real Estate Tax	3.0 %	\$5,514	\$5,680	\$5,850	\$6,026	\$6,206	\$6,392	\$6,584	\$6,782	\$6,985	\$7,195	\$7,411	\$7,633	\$7,862	\$8,098	\$8,341
Total Expenses (Pre-RR)		\$2,276,125	\$2,256,011	\$2,321,865	\$2,389,657	\$2,459,447	\$2,531,292	\$2,605,253	\$2,679,568	\$2,753,684	\$2,830,023	\$2,908,653	\$2,989,641	\$3,073,059	\$3,158,980	\$3,281,075
Replacement Reserves	3.0 %	\$82,713	\$85,194	\$87,750	\$90,383	\$93,094	\$95,887	\$98,764	\$101,727	\$104,778	\$107,922	\$111,159	\$114,494	\$117,929	\$121,467	\$125,111
Total Expenses (Including RR)		\$2,358,838	\$2,341,205	\$2,409,615	\$2,480,040	\$2,552,541	\$2,627,179	\$2,704,017	\$2,781,295	\$2,858,462	\$2,937,945	\$3,019,812	\$3,104,135	\$3,190,988	\$3,280,447	\$3,406,186
Net Operating Income		\$7,499,717	\$7,716,778	\$7,851,852	\$7,989,049	\$8,128,396	\$8,269,916	\$8,413,635	\$8,561,404	\$8,713,865	\$8,868,687	\$9,025,897	\$9,185,520	\$9,347,583	\$9,512,113	\$9,645,538
Permanent Debt Service (Tax-Exempt)		-	-	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878	\$4,495,878
Permanent Debt Service (Taxable)		-	-	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509	\$1,538,509
Construction / EBL Debt Service		\$6,089,028	\$6,434,241	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Levered Cash Flow		\$1,410,690	\$1,282,536	\$1,817,464	\$1,954,662	\$2,094,008	\$2,235,529	\$2,379,248	\$2,527,017	\$2,679,478	\$2,834,300	\$2,991,509	\$3,151,132	\$3,313,196	\$3,477,726	\$9,645,538

ATTACHMENT 5

HOUSING COMMISSION MULTIFAMILY HOUSING REVENUE BOND PROGRAM SUMMARY

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

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

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

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

Approval Process:

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

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

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

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

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



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

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

Statement for Public Disclosure

1. Name of CONTRACTOR: Lincoln Avenue Capital LLC
2. Email: tyler@lincolnavecap.com
2. Address and Zip Code: 401 Wilshire Blvd. Suite 1100 Santa Monica CA 90401
3. Telephone Number: 424-222-8265
4. Name of Principal Contact for CONTRACTOR: Tyler Conger
5. Federal Identification Number or Social Security Number of CONTRACTOR: 81-2192050
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as (*select and upload requested documents*):
 - ☒ A corporation (*Upload Articles of Incorporation*) See Exhibit C
 - ☐ A nonprofit or charitable institution or corporation. (*Upload copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status*)
 - ☐ A partnership known as (Name): _____

Check one:

 - ☐ General Partnership (*Upload statement of General Partnership*)
 - ☐ Limited Partnership (*Upload Certificate of Limited Partnership*)
 - ☐ A business association or a joint venture known as: _____
(*Upload joint venture or business association agreement*)
 - ☐ A Federal, State or local government or instrumentality thereof.
 - ☐ Other (*Please explain*): _____
7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:
4/5/2016



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	

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

No.

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

No.



Attachment 7 - Developer's Disclosure Statements

Real Estate Department

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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	

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

Name and Address	Position Title (if any) and percent of interest or description of character and extent of interest
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	
Name: See Exhibit A	
Address:	



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

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

Name and Address	Relationship to CONTRACTOR
Name: Lincoln Avenue Capital Management LLC	Corporate operating entity for Lincoln Avenue Capital
Address: (See Exhibit B)	LLC and its affiliates
Name: LAC Guarantor Holdings LLC	Corporate operating entity for Lincoln Avenue Capital
Address:	LLC and its affiliates
Name:	
Address:	

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

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:
Lincoln Avenue Capital plans to perform a substantial rehabilitation of the property using 4% Low-Income Housing Tax Credits allocated through the California Tax Credit Allocation Committee and an issuance of Private Activity Bonds through California Debt Limit Allocation Committee. The Project rehabilitation will be financed with Tax Credit Equity, an equity bridge loan, Citi Community Capital construction and permanent loan, seller carryback note, and deferred developer fee.
16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

- a. In banks/savings and loans:

Name: Bridgewater Bank

Address: 370 Wabasha Street North St Paul MN 55102

Amount: \$ \$1,455,771 as of 8/31/24

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

Name: _____

Address: _____

Amount: \$ _____



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

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

Description	Market Value (\$)	Mortgages or Liens (\$)
See Exhibit E		

Additional Information, as needed: _____

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

Name and Address	Contact Name
Name: See Exhibit D	
Address:	
Name: See Exhibit D	
Address:	
Name: See Exhibit D	
Address:	

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

☐ Yes ☒ No

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

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

☐ Yes ☒ No

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



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

Case 1: _____

Case 2: _____

Case 3: _____

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

Type of Bond	Project Description	Date of Completion	Amount of Bond	Action on Bond
N/A				
N/A				
N/A				
N/A				

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

a. Name and addresses of such contractor or builder:

Name and Address	Affiliation
Name: N/A	
Address:	
Name:	
Address:	
Name:	
Address:	



Attachment 7 - Developer's Disclosure Statements

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Real Estate Department

- 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: N/A

Complete one table for each project:

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



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

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



Attachment 7 - Developer's Disclosure Statements

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

Identification of Contract or Development	Location	Amount	Date to be Completed
N/A			

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

Awarding Agency	Amount	Date Opened
N/A		

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:

N/A

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

☐ Yes

☒ No

If yes, explain:



Attachment 7 - Developer's Disclosure Statements

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

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

☐ Yes

☒ No

If yes, please explain:

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

****See Exhibit E**

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach certificate of insurance showing the amount of coverage and coverage period(s)]: McGriff Insurance, 320 Post Road
Darien, CT 06820. Contact: David Beckley 718-702-7362
Carrier: Texas Insurance Co

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)]: McGriff Insurance, 320 Post Road
Darien, CT 06820. Contact: David Beckley 718-702-7362
Carrier: Texas Insurance Co

Check coverage(s) carried:

- ☐ Comprehensive Form
- ☐ Owned
- ☒ Hired
- ☒ Non-Owned



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

- c. Workers Compensation [*Attach* certificate of insurance showing the amount of coverage and coverage period(s)]:
Lockton Companies, LLC 3657 Briarpark Dr., Suite 700 Houston, TX 77042
888-828-8365
- d. Professional Liability (Errors and Omissions) [*Attach* certificate of insurance showing the amount of coverage and coverage period(s)]:
N/A
- e. Excess Liability [*Attach* certificate(s) of insurance showing the amount of coverage and coverage period(s)]:
McGriff Insurance, 320 Post Road, Darien, CT 06820
Contact: David Beckley 718-702-7362
- f. Other (Specify) [*Attach* certificate(s) of insurance showing the amount of coverage and coverage period(s)]:

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



Attachment 7 - Developer's Disclosure Statements

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

Government Complaint	Entity	Making	Date	Resolution
	N/A			
	N/A			
	N/A			
	N/A			

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: N/A

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

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



Attachment 7 - Developer's Disclosure Statements

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

N/A

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

N/A

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

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

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

☐ Yes ☒ No

If yes, please explain: _____

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

☐ Yes ☒ No

If yes, please explain: _____



Attachment 7 - Developer's Disclosure Statements

SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

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

1. Name: N/A
Address: _____
Phone: _____
Project Name and Description: _____
2. Name: _____
Address: _____
Phone: _____
Project Name and Description: _____
3. Name: _____
Address: _____
Phone: _____
Project Name and Description: _____

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

N/A

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

Name	Experience
N/A	



CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

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

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

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

Executed this ____ day of _____, 20 ____, at San Diego, California.

CONTRACTOR

By: _____
Signature

TYLER CONGER
Print Name

VICE PRESIDENT
Title



SAN DIEGO
HOUSING
COMMISSION

Real Estate Department

CERTIFICATION

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

By: [Signature]
Signature

Print Name: TYLER CONGER

Title: VICE PRESIDENT

Dated: 9/30/24

By: _____
Signature

Print Name: _____

Title: _____

Dated: _____

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

JURAT

State of California

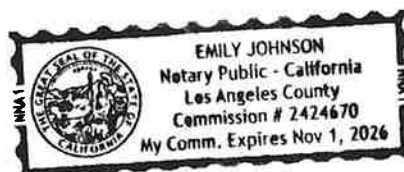
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 30 day of September, 2024

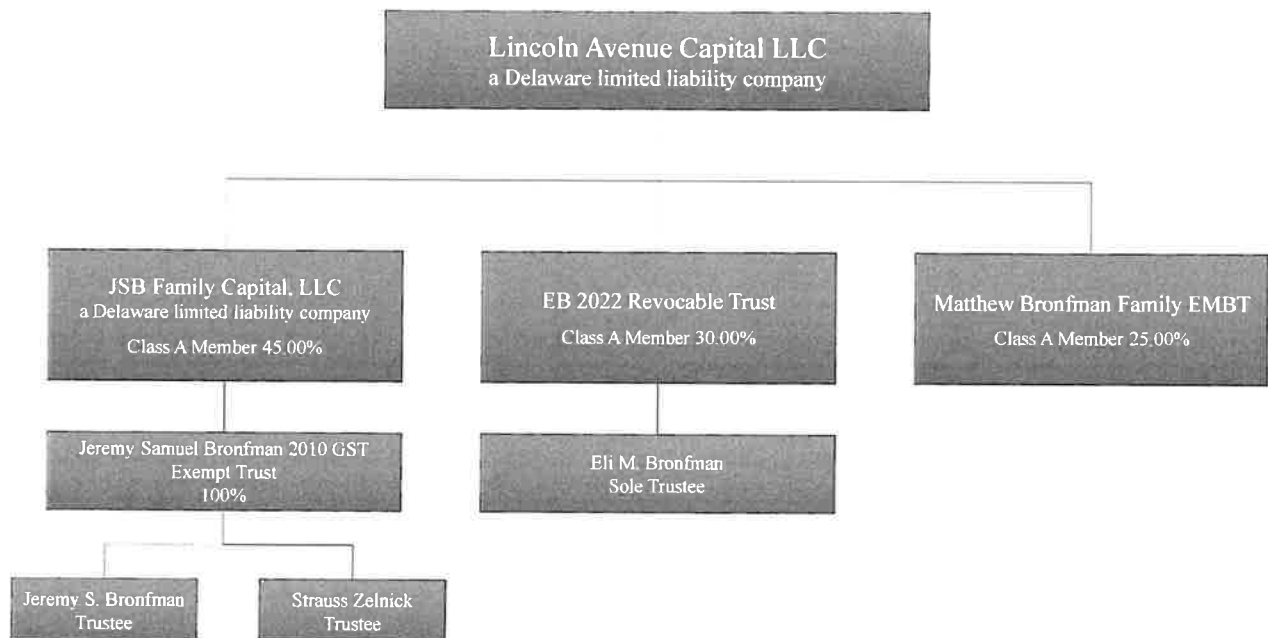
by Tyler Conger personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]
Signature of Notary

SEAL



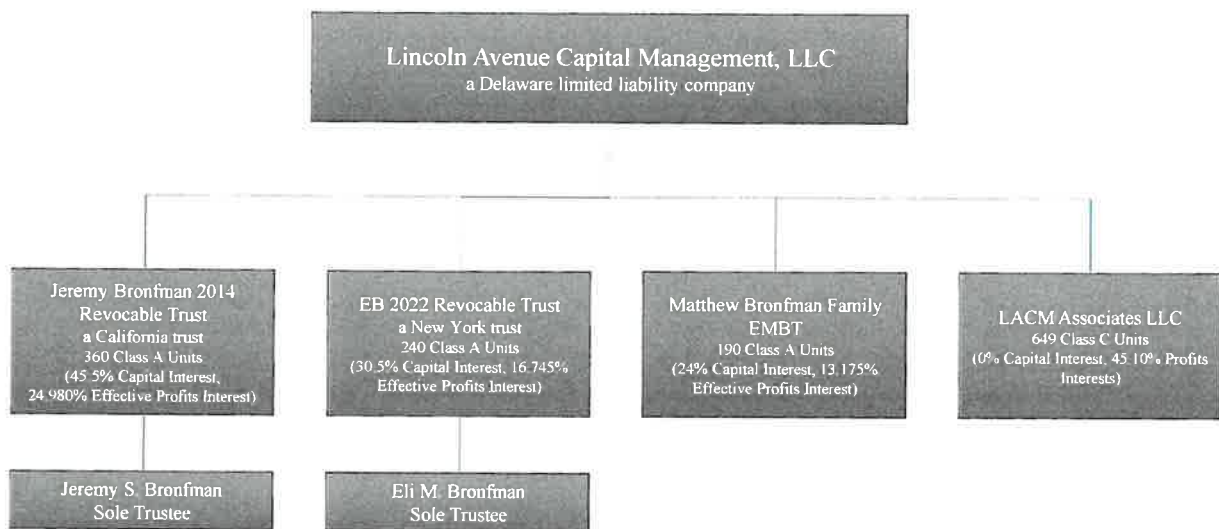
Attachment 7 - Developer's Disclosure Statements
Exhibit A - Lincoln Avenue Capital LLC



**Address: 401 Wilshire Blvd Suite
1100 Santa Monica CA 90401**

Phone Number: 424-222-8396

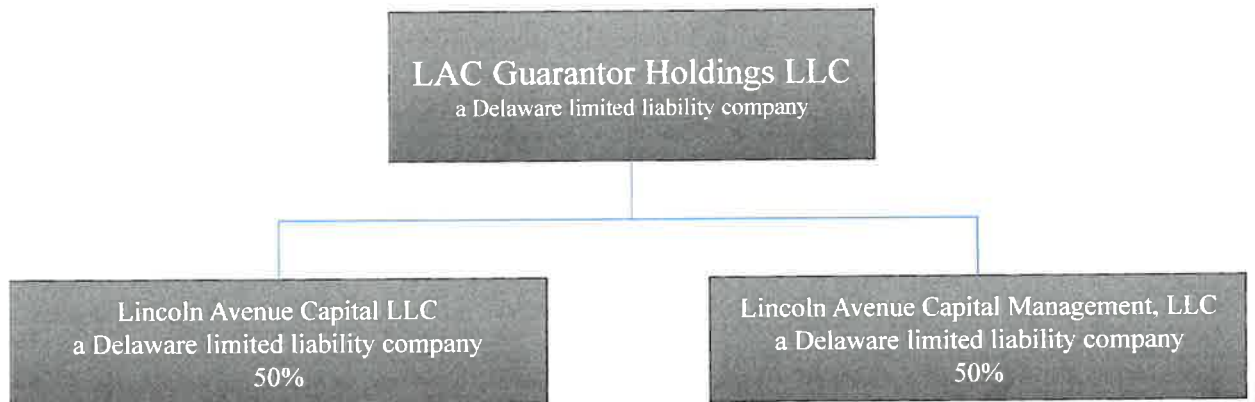
Attachment 7 - Developer's Disclosure Statements
Exhibit B - Lincoln Avenue Capital Management LLC



Address: 401 Wilshire Blvd Suite
1100 Santa Monica CA 90401

Phone Number: 424-222-8396

Attachment 7 - Developer's Disclosure Statements
Exhibit B - LAC Guarantor Holdings LLC



Address: 401 Wilshire Blvd Suite
1100 Santa Monica CA 90401

Phone Number: 424-222-8396

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF
DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT
COPY OF THE CERTIFICATE OF FORMATION OF "LINCOLN AVENUE CAPITAL
LLC", FILED IN THIS OFFICE ON THE FIFTH DAY OF APRIL, A.D.
2016, AT 10:01 O`CLOCK A.M.




Jeffrey W. Bullock, Secretary of State

6008115 8100
SR# 20162075077

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 202093827
Date: 04-05-16

Attachment 7 - Developer's Disclosure Statements

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:01 AM 04/05/2016
FILED 10:01 AM 04/05/2016
SR 20162075077 - File Number 6008115

CERTIFICATE OF FORMATION OF LINCOLN AVENUE CAPITAL LLC

I.

The name of the limited liability company is Lincoln Avenue Capital LLC.


II.

The address of the company's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, in the City of Wilmington, State of Delaware, in the County of New Castle, 19808. The name of its registered agent at such address is Corporation Service Company.

III.

This Certificate of Formation shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of April 5, 2016.



Eli Bronfman, Authorized Person

Exhibit D
Attachment 7 - Developer's Disclosure Statements
Bank Reference Contact Sheet

Entity:

Lincoln Avenue Capital LLC

Reference# 1

Bank / Lender / Firm:

Bridgewater Bank

Contact Name:

Katie Klug

Contact Phone #:

651-605-2676

Contact Fax #:

Contact E-mail:

katie.klug@bwbm.com

Reference Address:

370 Wabasha Street North St Paul MN 55102

Type of Account:

Checking

Account Number:

81200834; 81201444

Reference# 2

Bank / Lender / Firm:

JPMorgan Chase

Contact Name:

Courtney Bogle

Contact Phone #:

212-270-6000

Contact Fax #:

Contact E-mail:

courtney.w.bogle@jpmorgan.com

Reference Address:

Type of Account:

Attachment 7 - Developer's Disclosure Statements

Account Number:

Bank Reference Contacts

Page 1 of 2

Reference# 3

Bank / Lender / Firm:

KeyBank

Contact Name:

Brian Larsen

Contact Phone #:

206-343-6912

Contact Fax #:

Contact E-mail:

brian_j_larsen@keybank.com

Reference Address:

Type of Account:

Account Number:

Reference# 4

Bank / Lender / Firm:

Contact Name:

Contact Phone #:

Contact Fax #:

Attachment 7 - Developer's Disclosure Statements

Contact E-mail:

Reference Address:

Type of Account:

Account Number:

Reference# 5

Bank / Lender / Firm:

Contact Name:

Contact Phone #:

Contact Fax #:

Contact E-mail:

Reference Address:

Type of Account:

Account Number:

Attachment 7 - ^{Exhibit E} Developer's Disclosure Statements



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/20/2023

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

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

PRODUCER McGriff Insurance Services, LLC 3400 Overton Park Drive SE Suite 300 Atlanta, GA 30339	CONTACT NAME: PHONE (A/C, No, Ext): 404 497-7500 FAX (A/C, No): E-MAIL ADDRESS: michelle.barbre@mcgriff.com														
INSURED Lincoln Avenue Capital Management LLC 401 Wilshire Blvd Ste 1070 Santa Monica, CA 90401	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A :Texas Insurance Company</td> <td>16543</td> </tr> <tr> <td>INSURER B :Arch Specialty Insurance Company</td> <td>21199</td> </tr> <tr> <td>INSURER C :Allied World National Assurance Company</td> <td>10690</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A :Texas Insurance Company	16543	INSURER B :Arch Specialty Insurance Company	21199	INSURER C :Allied World National Assurance Company	10690	INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A :Texas Insurance Company	16543														
INSURER B :Arch Specialty Insurance Company	21199														
INSURER C :Allied World National Assurance Company	10690														
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES **CERTIFICATE NUMBER:** K98Y2CF3 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			JT123PANN01432-02	03/31/2023	03/31/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$0			UXP1048032-01	03/31/2023	03/31/2024	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C	Excess Liability			0311-7154	03/31/2023	03/31/2024	Each Occurrence \$ 8,000,000 Aggregate \$ 8,000,000 Retention \$ 0 \$

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

CERTIFICATE HOLDER

Lincoln Avenue Capital Management, LLC
 401 Wilshire Blvd
 Ste. 1070
 Santa Monica, CA 90401

CANCELLATION

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

AUTHORIZED REPRESENTATIVE



Attachment 7 - Developer's Disclosure Statements CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/16/2023

Acct#: 2831423

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

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

PRODUCER
Lockton Companies, LLC
3657 Briarpark Dr., Suite 700
Houston, TX 77042

CONTACT
NAME: 888-828-8365PHONE
(A/C, No, Ext):FAX
(A/C, No):

E-MAIL

ADDRESS: INSPIRITYCERTS@LOCKTONAFFINITY.COM

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A : Ace American Insurance Co.

22667

INSURER B :

INSURER C :

INSURER D :

INSURER E :

INSURER F :

INSURED
LINCOLN AVENUE CAPITAL MANAGEMENT, LLC
401 WILSHIRE BLVD STE 1070
SANTA MONICA, CA 90401-1428

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$
	OTHER:						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR					EACH OCCURRENCE \$
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$
	DED RETENTIONS						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A	C51643525	10/1/2022	10/1/2023	X PER STATUTE OTH-ER \$ 1,000,000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

CERTIFICATE HOLDER

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

LINCOLN AVENUE CAPITAL MANAGEMENT, LLC
401 WILSHIRE BLVD STE 1070
SANTA MONICA, CA 90401

Exhibit E - #16c

LAC LLC brokerage account; \$4,434,012 as of 8/31/24

LACM LLC affiliated entity line of credit with Bridgewater Bank; \$10,550,000 undrawn as of 8/31/24

LACM LLC affiliated entity cash balance at Bridgewater Bank; \$6,007,372 as of 8/31/24

LACGH LLC affiliated entity cash balance at Bridgewater Bank; \$671,684 as of 8/31/24

LACGH LLC affiliated entity brokerage account; \$2,666,680