



EXECUTIVE SUMMARY

MEETING DATE: July 21, 2023

HCR23-082

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

COUNCIL DISTRICT: 4

ORIGINATING DEPARTMENT: Real Estate

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

REQUESTED ACTION:

Take the initial steps to issue up to \$75,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and \$4,000,000 in taxable bonds to facilitate the acquisition and rehabilitation of a 268-unit affordable housing development at 4808-4888 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, in Council District 4, which will consist of 267 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income and one unrestricted manager's unit.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Sea Breeze Gardens development currently serves families earning between 50% and 60% of San Diego's Area Median Income (AMI).
- The developer proposes to revise the affordability levels to serve families earning between 30% and 60% of AMI.
- The development is about 6.5 miles east of downtown San Diego, just east of Interstate 805, and within walking distance to parks, schools and convenience stores. Several bus stops are within walking distance of the property.
- Sea Breeze Gardens Apartments was originally constructed in 1968 and underwent a Low-Income Housing Tax Credit (LIHTC) rehabilitation in 2008.
- Sea Breeze Gardens Apartments has been well managed and is currently 96% occupied; however, rehabilitation is necessary to preserve the quality of property's affordable housing units, as stated in the Physical Conditions Report (PCR), dated June 30, 2023.
- The proposed rehabilitation will be in excess of the repairs categorized as immediate and short term (1-3 years) within the PCR as the developer is proposing approximately \$14 million of renovations to extend the property's useful life and preserve the affordability term for a new 55 years.
- Sea Breeze Gardens residents will continue to have access to a range of community services provided by Pacific Housing Inc, at no cost to the residents, including the After School Connect (ASC) Program for children ages 7 to 12 and the Living Out Loud (LOL) program for teens ages 13 to 17.
- Tenants are not anticipated to be displaced at any given time for a period of longer than one day. The clubhouse and other common spaces will be furnished for the use of the tenants who are temporarily displaced during the unit renovation.
- As the fully accessible Americans with Disabilities Act (ADA) units may take longer, applicable tenants may not be able to return to their units on the same day. In such cases, the tenants will be provided hotel accommodations, along with transportation and meal stipends for the time the unit is not available.
- Sea Breeze Gardens has an estimated total development cost of \$152,164,444 (\$567,778/unit).



REPORT

DATE ISSUED: July 13, 2023

REPORT NO: HCR23-082

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of July 21, 2023

SUBJECT: 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 (Housing Commission) Board of Commissioners on July 21, 2023, 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 up to \$75,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and \$4,000,000 in taxable bonds to facilitate the acquisition and rehabilitation of a 268-unit affordable housing development at 4808-4888 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, in Council District 4, which will consist of 267 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income and one unrestricted manager's unit.

STAFF RECOMMENDATION

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

- 1) Approve the following steps to issue up to \$75,000,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds and \$4,000,000 in taxable bonds to facilitate Sea Breeze Gardens Preservation LP's rehabilitation of the Sea Breeze Gardens Apartments at 4808-4888 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, which consists of 267 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income (AMI) and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$75,000,000 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 \$75,000,000 for Sea Breeze Gardens Apartments;

- c. Approve the financing team of Squire Patton Boggs as the Bond Counsel and Public Financial Management (PFM) as the Financial Advisor.
- 2) Authorize the Housing Commission’s President & Chief Executive Officer (President & 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 and adopt a resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$75,000,000 to facilitate the rehabilitation of Sea Breeze Gardens Apartments.

SUMMARY

Table 1 – Development Details

Address	4808-4888 Logan Avenue, San Diego, CA 92113
Council District	Council District 4
Community Plan Area	Chollas Valley Neighborhoods Community Plan
Developer	Lincoln Avenue Capital (LAC)
Development Type	Preservation; Acquisition & Rehabilitation
Construction Type	Wood Frame (Type V), 36 two-story buildings
Parking Type	308 parking spaces in a surface lot (1 stall/unit; 40 reserved for guest/staff)
Mass Transit	Several bus stops are within walking distance of the property. The closest (Stop ID 11000) is immediately adjacent to the property’s parking lot, with another (Stop ID 10629) directly across the street.
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	15.72 Acres
Units	267 affordable units and one unrestricted manager’s unit
Density	17 units/acre; (268 units ÷ 15.72 acres)
Unit Mix	100 two-bedroom and 168 three-bedroom units
Gross Building Area	236,650 square feet
Net Rentable Area	251,400 square feet
Affordable Units in Service by Council District	Council District 4 includes 3,073 affordable rental housing units currently in service, which represents 12 percent of the 25,527 affordable rental housing units in service citywide.

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Sea Breeze Garden Apartments Preliminary Bond Authorization and TEFRA Hearing

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The Development

Sea Breeze Gardens Apartments at 4808-4888 Logan Avenue is an existing multifamily affordable development located in the Chollas Valley neighborhood of San Diego on approximately 15.7 acres. 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% 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 44 two-story, garden-style buildings, as well as a standalone clubhouse, playground and six laundry facilities.

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. Cushman & Wakefield currently manages the property, and Pacific Housing Inc. provides tenant services. Sea Breeze Gardens Apartments has been well managed and is currently 96% occupied; however, rehabilitation is necessary to preserve the quality of property's affordable housing units, as stated in the Physical Conditions Report (PCR), dated June 30, 2023.

The proposed rehabilitation will be in excess of the repairs categorized as immediate and short term (1-3 years) within the PCR as the developer is proposing approximately \$14 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, lighting fixtures, solid surface flooring, cabinet and countertop replacement, plumbing fixtures, full roof replacement with rain gutters, renovated community amenities, general site work repairs, landscaping, and updates to meet current ADA accessibility requirements. Sea Breeze Gardens Apartments currently provides ample on-site amenities, including a playground, six laundry facilities, controlled gated access, security patrol, 308 parking spaces, 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. A scope of proposed rehabilitation work is included as Attachment 2.

Services

Sea Breeze Gardens 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 seven to twelve 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 thirteen to seventeen 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 their needs can be best assisted. Residents are provided

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Sea Breeze Garden Apartments Preliminary Bond Authorization and TEFRA Hearing

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with information regarding accessibility of available services in the community, such as utility discounts, clothing, food assistance, and help residents in accessing those services through advocacy.

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

The property will be undergoing an extensive interior and exterior renovation. As the developer will have a moving team pack and then unpack all furniture items that need to be removed for the renovations, tenants are not anticipated to be displaced at any given time for a period of longer than one day. At the conclusion of each day, the unit will be returned to the resident in fully functional condition. The clubhouse and other common spaces will be furnished for the use of the tenants who are temporarily displaced during the unit renovation. As the fully accessible Americans with Disabilities Act (ADA) units may take longer, applicable tenants may not be able to return to their units on the same day. In such cases, the tenants will be provided hotel accommodations, along with transportation and meal stipends for the time the unit is not available. In all instances, management will work with tenants to provide as many options as possible, including the potential to transfer to an already completed unit.

Accessibility

The California Tax Credit Allocation Committee (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 Americans with Disabilities Act 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

During the tax credit compliance period, Sea Breeze Gardens will be owned by Sea Breeze Gardens Preservation LP, a California limited partnership (a single-asset limited partnership) consisting of: Pacific Housing, Inc. as the Managing/ Administrative General Partner and Sea Breeze Gardens GP LLC as the Co-General Partner. The tax credit limited partner has yet to be selected. (Attachment 3 – Organization Chart).

The developer, Lincoln Avenue Capital (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 22,000 units across 119 different properties. 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% Low Income Housing Tax Credits and issuances of tax-exempt bonds, with a variety of financing sources.

Table 2 - Development Team Summary

ROLE	FIRM/CONTACT
Developer	Lincoln Avenue Capital
Owner/Borrower	Sea Breeze Gardens Preservation LP
Managing General Partner	Pacific Housing, Inc.
Co-General Partner	Sea Breeze Gardens GP LLC
Tax Credit Investor Limited Partner	To be determined
Architect	Ebersoldt + Associates
General Contractor	Paragon Construction Company
Property Management	Cushman & Wakefield
Construction and Permanent Lender	Citi Community Capital
Tenant Services Providers	Pacific Housing, Inc.

Property Management

Sea Breeze Gardens is managed by Cushman & Wakefield. Established in the 1960s, Cushman & Wakefield is a nationwide management company, with a management portfolio of 88 affordable properties totaling approximately 10,400 units in 18 states. It is experienced in property management, marketing, maintenance, renovations and tax credit developments. Cushman & Wakefield currently manages affordable developments for Lincoln Avenue Capital.

FINANCING STRUCTURE

Sea Breeze Gardens has an estimated total development cost of \$152,164,444 (\$567,778/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 Housing Commission cash loan funds are proposed for Sea Breeze Gardens Apartments. The proposed financing structure will preserve the property’s affordable status for a new 55-year term.

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
Bond Financed Permanent Loan (Taxable)	3,924,294	Construction Cost	18,719,633	69,849
Seller Carryback Note	12,400,000	Financing Costs	4,984,318	18,598
Four percent tax credit equity	55,741,147	Soft Costs	783,500	2,924
General Partner Capital Contribution	100	Escrows and Reserves	2,473,175	9,228

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Deferred Developer's Fee	5,098,903	Developer's fee	8,803,818	35,850
Total Sources	\$152,164,444	Total Uses	\$152,164,444	\$567,778

Developer Fee

\$8,803,818 - Gross Developer Fee

- 5,098,903 - Minus Deferred Developer's Fee

\$ 3,704,915 - Net Cash Developer's Fee

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

Development Cost Key Performance Indicators

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

Table 4 – Key Performance Indicators

Development Cost Per Unit	$\$152,164,444 \div 268 \text{ (units)} =$	\$567,778
Housing Commission Subsidy Per Unit	--	\$0
Acquisition Cost Per Unit	$\$116,400,000 \div 268 \text{ (units)} =$	\$434,328
Gross Building Square Foot Hard Cost	$\$18,719,633 \div 263,650 \text{ sq. ft.} =$	\$71
Net Rentable Square Foot Hard Cost	$\$18,719,633 \div 251,400 \text{ sq. ft.} =$	\$74

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 preservation, rehabilitation , 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.
Proposed Subject – Sea Breeze Gardens Apartments	2023	268	\$149,111,771 (w/o prevailing wage)	\$556,387	\$0	\$71
Tizon Apartments	2021	178	\$50,377,343 (w prev. wage)	\$283,019	\$22,568	\$128
Hacienda Townhomes	2023	52	\$23,735,118 (w prev. wage)	\$456,445	\$99,269	\$159
Grant Heights II	2020	42	\$17,968,471 (w/out prev. wage)	\$427,821	\$31,769	\$130

TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS

The Housing Commission utilizes the Housing Authority’s tax-exempt borrowing status to pass on lower interest rate financing (and make 4 percent low-income housing tax credits available) to developers of affordable rental housing. The Housing Authority’s ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a development, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, developments are brought before the Housing Commission. Housing Commission bond inducement resolutions must be obtained prior to application submittal, and Housing Authority TEFRA resolutions must be secured by the time of project closing. These actions do not obligate the Housing Authority to issue bonds.

The Housing Commission Board of Commissioners is authorized to hold TEFRA hearings pursuant to Multifamily Mortgage Revenue Bond Program Policy Amendments the Housing Authority approved March 9, 2021 (Report No. HAR20-043; Resolution No. HA-1906).

The developer plans to submit a bond allocation application to CDLAC on September 6, 2023, for a December 6, 2023, bond allocation meeting (dates are subject to change at CDLAC’s discretion). However, if necessary, staff will submit additional applications to CDLAC to secure a bond allocation for the proposed development.

The developer will be seeking a CDLAC bond allocation of approximately \$75,000,000 in tax-exempt Multifamily Housing Revenue Bonds. The developer proposes to have the Housing Authority issue the bonds through a tax-exempt private placement bond issuance. The bonds will meet all requirements of the Housing Commission’s Multifamily Housing Revenue Bond Program policy and will fully comply with the City of San Diego’s (City) ordinance on bond disclosure. The developer proposes that the bonds will be used to provide construction and permanent financing for the project. Housing Commission staff will later return to both the Housing Commission and Housing Authority for approval of the final bonds and transaction documents. A general description of the Multifamily Housing Revenue Bond Program and actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings are described in Attachment 5.

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Staff recommends assigning Squire Patton Boggs 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 the Housing Commission’s Bond Program Policy.

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 267 units for a new 55-year term. The rent and occupancy restrictions required by the CTCAC will be applicable.

As shown in Tables 6 and 7 below, the developer proposes to:

- A) Revise the affordability level of two-bedroom units to:
 - a. 30% of AMI for 10 units
 - b. 50% of AMI for 10 units
 - c. 60% of AMI for 80 units
- B) Revise the affordability levels of three-bedroom units to:
 - a. 30% of AMI for 17 units
 - b. 50% of AMI for 17 units
 - c. 60% of AMI for 133 units

Table 6 – Current Affordability & Monthly Rent Table

Unit Type	AMI	Units	CTCAC Gross Rents
Two bedrooms	50% (\$62,050/year for three-person household)	10	\$ 1,551
Two bedrooms	60% (\$74,460/year for three-person household)	90	\$ 1,861
Subtotal Two Bedroom Units	100	100	
Three bedrooms	50% (\$68,900/year for four-person household)	17	\$ 1,791
Three bedrooms	60% (\$82,680/year for four-person household)	150	\$ 2,150
Subtotal Three Bedroom Units	167	167	
Manager’s three bedrooms unit	--	1	--
Total Units	--	268	--

Table 7 – Proposed Affordability & Monthly Estimated Rent Table

Unit Type	AMI	Units	CTCAC Gross Rents
Two bedrooms	30% (\$37,250/year for three-person household)	10	\$930
Two bedrooms	50% (\$62,050/year for three-person household)	10	\$1,551
Two bedrooms	60% (\$74,460/year for three-person household)	80	\$1,861
Subtotal Two Bedroom Units	--	100	--
Three bedrooms	30% (\$41,350/year for four-person household)	17	\$1,075
Three bedrooms	50% (\$68,900/year for four-person household)	17	\$1,791

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Three bedrooms	60% (\$82,680/year for four-person household)	133	\$2,150
Subtotal Three Bedroom Units	--	167	--
Manager's Three bedroom unit	--	1	--
Total Units	--	268	--

FISCAL CONSIDERATIONS

The funding sources and uses approved by this proposed action are included in the Fiscal Year (FY) 2023 Housing Commission Budget.

Funding sources approved by this action will be as follows

Bond Issuer Fee – (\$75,000,000 (Tax-exempt bonds) + \$4,000,000 (Taxable bonds)) X 0.0025 = \$197,500

Total Funding Sources – up to \$197,500

Funding uses approved by this action

Administrative costs - \$197,311

Total Funding Uses - up to \$197,311

Housing Commission 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 the Housing Commission 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 the Housing Commission annual administrative fee, as well as Housing Commission Bond Counsel and Financial Advisor fees.

Estimated Development Schedule

The estimated development timeline is as follows.

Milestones	Estimated Dates
• CDLAC bond & CTCAC tax credit applications	• September 6, 2023
• CDLAC & CTCAC allocation meetings	• December 6, 2023
• Housing Commission final bond authorization	• April 2024
• Housing Authority final bond authorization	• May 2024
• Estimated Bond issuance and escrow/loan closing	• June 2024
• Estimated start of construction work	• June 2024
• Estimated completion of construction work	• December 2025

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

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

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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

Lincoln Avenue Capital is working with the Chollas Valley Community Planning Group. The proposed development will be presented as an action item at the August 21, 2023, meeting.

KEY STAKEHOLDERS and PROJECTED IMPACTS

Stakeholders include Lincoln Avenue Capital as the developer, the Housing Authority as the bond issuer, Citi Capital as a lender and the Chollas Valley neighborhood. Sea Breeze Gardens will continue to have a positive impact on the community, as it will contribute to the quality of the surrounding neighborhood and preserve 267 affordable rental homes for low-income families.

ENVIRONMENTAL REVIEW

This activity is not a “project” and is therefore not subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15060(c)(3). This determination is predicated on Section 15004 of the Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review. This action does not constitute approval of a project. Approval will occur once the environmental review has been completed in accordance with CEQA Section 15004. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process. The proposed actions are approval of preliminary steps to issue Bonds and do not constitute approval of the development activity or authorization for the issuance of Bonds. Future actions to consider and approve development entitlement approvals related to the future development of the site will require additional review under the provisions of CEQA by the lead agency. Processing under the National Environmental Policy Act (NEPA) 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

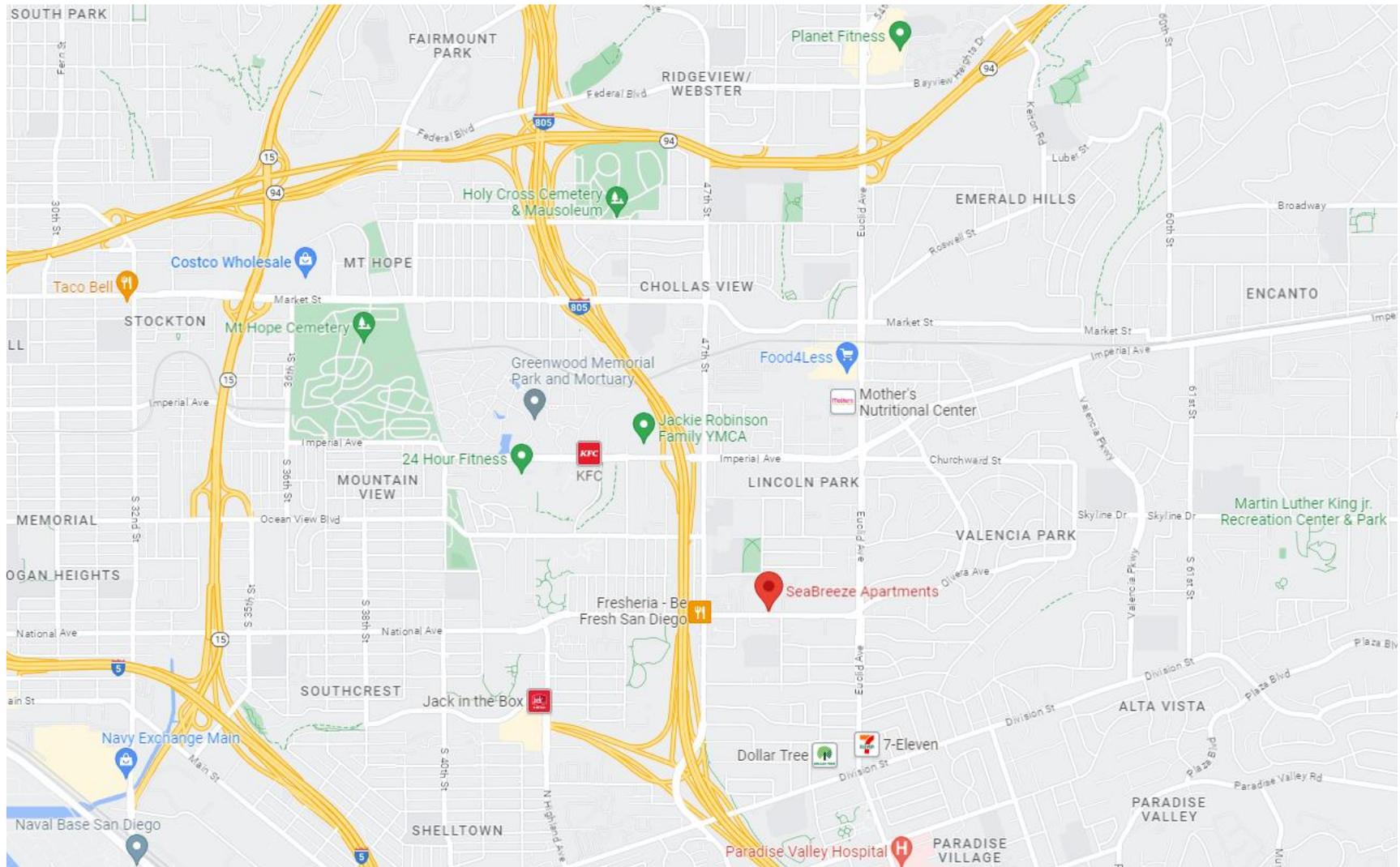
Interim President & Chief Executive Officer

San Diego Housing Commission

- Attachments: 1) Site Map
2) Scope of Proposed Rehabilitation Work
3) Organization Chart
4) Developer’s Project Pro forma
5) Multifamily Housing Revenue Bond Program
6) Developer’s Disclosure Statements

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

Attachment 1 – Site Map



Attachment 2 – Rehabilitation Summary

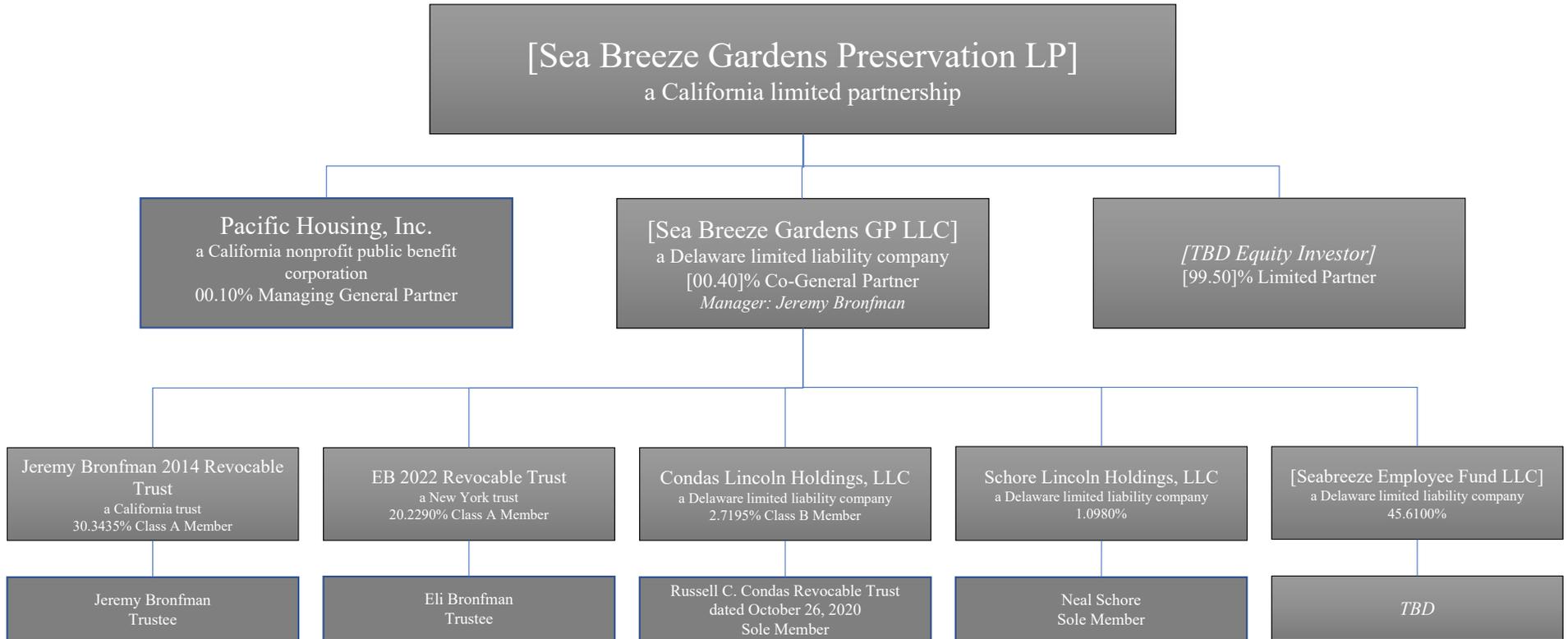
Rehabilitation Summary **Sea Breeze Gardens Apartments**

Please see below for our approximate scope of repairs.

- Solid surface flooring (LVP) throughout all unit interiors
- In unit light fixture package
- Appliance replacements throughout
- In Unit Cabinet and countertop replacement as needed
- Bath accessory package throughout
- HVAC replacement
- 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
- Amenity Renovations
 - Clubhouse
 - Playgrounds
 - FFE for clubhouse
- Fresh Exterior Paint

** Scope subject to change based on site visit due diligence and third-party report findings*

Attachment 3 - Organization Chart



Attachment 4 - Developer's Project Pro Forma

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Sources				
	Construction	Per Unit	Permanent	Per Unit
First Mortgage (Tax - Exempt)	75,000,000	279,851	\$ 75,000,000	279,851
First Mortgage (Taxable)	3,924,294	14,643	\$ 3,924,294	14,643
Seller Carryback Note	12,400,000	46,269	12,400,000	46,269
LIHTC Equity	8,361,172	31,198	55,741,147	207,989
GP Capital Contribution	100	0	100	0
Deferred Developer Fee	-	-	5,098,903	19,026
Equity Bridge Loan	41,940,717	146,331	-	-
Total Sources	\$141,626,284	\$508,617	\$152,164,444	\$567,778
(GAP)/SURPLUS	-	-	-	-

Uses				
	Construction	Per Unit	Permanent	Per Unit
Acquisition	\$ 116,400,000	434,328	\$ 116,400,000	434,328
Construction Hard Costs	18,719,633	69,849	18,719,633	69,849
Project Soft Costs	783,500	2,924	783,500	2,924
Tax Credit Fees	464,750	1,734	464,750	1,734
Bond Costs	448,810	1,675	448,810	1,675
Bridge Loan Costs	2,733,974	10,201	3,270,276	12,203
Permanent Loan Costs	513,171	1,915	513,171	1,915
Closing Costs	287,311	1,072	287,311	1,072
Escrows and Reserves	103,134	385	2,473,175	9,228
Developer Fees	1,172,000	4,373	8,803,818	32,850
Total Uses	\$141,626,284	\$508,617	\$152,164,444	\$567,778
(GAP)/SURPLUS	(\$0)	(\$0)	(\$0)	(\$0)

Attachment 4 - Developer's Project Pro Forma

Seabreeze Gardens - San Diego, CA

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	STUB	PIS DATE					
Year #	1	2	3	4	5	6	
Year	2024	2025	2026	2027	2028	2029	
Conversion Date	1	-	-	-	-	-	
TC Date	12/31/2024	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	
Revenue							
Gross Potential Rent	2.0 %	\$ 8,552,178	\$ 9,506,276	\$ 9,696,401	\$ 9,890,329	\$ 10,088,136	\$ 10,289,898
% growth			2.0 %	2.0 %	2.0 %	2.0 %	
Total Gross Income		\$ 8,552,178	\$ 9,506,276	\$ 9,696,401	\$ 9,890,329	\$ 10,088,136	\$ 10,289,898
Vacancy	Long Term %	\$(427,609)	\$(475,314)	\$(484,820)	\$(494,516)	\$(504,407)	\$(514,495)
Vacancy %	5.0%	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
Total Rental Income		\$ 8,124,569	\$ 9,030,962	\$ 9,211,581	\$ 9,395,813	\$ 9,583,729	\$ 9,775,403
Other Income	3.0%	\$ 217,207	\$ 243,762	\$ 251,075	\$ 258,608	\$ 266,366	\$ 274,357
Total Revenue		\$ 8,341,776	\$ 9,274,724	\$ 9,462,656	\$ 9,654,420	\$ 9,850,095	\$ 10,049,760
Expenses							
	% growth						
G&A	3.0 %	\$ 48,824	\$ 53,329	\$ 54,793	\$ 56,437	\$ 58,130	\$ 59,874
Payroll	3.0 %	\$ 341,990	\$ 373,542	\$ 383,802	\$ 395,316	\$ 407,175	\$ 419,390
Electricity	3.0 %	\$ 208,066	\$ 227,263	\$ 233,505	\$ 240,510	\$ 247,725	\$ 255,157
Gas	3.0 %	\$ 139,112	\$ 151,946	\$ 156,119	\$ 160,803	\$ 165,627	\$ 170,596
Water & Sewer	3.0 %	\$ 321,307	\$ 350,950	\$ 360,590	\$ 371,407	\$ 382,549	\$ 394,026
Trash	3.0 %	\$ 84,974	\$ 92,814	\$ 95,363	\$ 98,224	\$ 101,171	\$ 104,206
Contract Services	3.0 %	\$ 399,834	\$ 436,723	\$ 448,718	\$ 462,179	\$ 476,045	\$ 490,326
Repairs & Maintenance	3.0 %	\$ 56,934	\$ 62,187	\$ 63,895	\$ 65,812	\$ 67,786	\$ 69,820
Turnover	3.0 %	\$ 13,200	\$ 14,417	\$ 14,813	\$ 15,258	\$ 15,715	\$ 16,187
Marketing	3.0 %	\$ 5,692	\$ 6,217	\$ 6,387	\$ 6,579	\$ 6,776	\$ 6,980
Total Controllable Expenses		\$ 1,619,932	\$ 1,769,387	\$ 1,817,985	\$ 1,872,525	\$ 1,928,700	\$ 1,986,561
Management Fee	2.25 %	\$ 187,690	\$ 208,681	\$ 212,910	\$ 217,224	\$ 221,627	\$ 226,120
Insurance	3.0 %	\$ 191,428	\$ 214,832	\$ 221,277	\$ 227,916	\$ 234,753	\$ 241,796
Real Estate Tax	3.0 %	-	-	-	-	-	-
Total Expenses (Pre-RR)		\$ 1,999,051	\$ 2,192,901	\$ 2,252,172	\$ 2,317,665	\$ 2,385,081	\$ 2,454,477
Replacement Reserves	3.0 %	\$ 74,616	\$ 83,738	\$ 86,250	\$ 88,838	\$ 91,503	\$ 94,248
Total Expenses (Including RR)		\$ 2,073,666	\$ 2,276,639	\$ 2,338,422	\$ 2,406,503	\$ 2,476,584	\$ 2,548,725
Net Operating Income		\$ 6,268,110	\$ 6,998,085	\$ 7,124,234	\$ 7,247,918	\$ 7,373,511	\$ 7,501,035
Construction / EBL Debt Service		-	\$ 77,451	-	-	-	-
First Mortgage (Tax Exempt)		\$ 5,132,248	\$ 5,131,574	\$ 5,130,860	\$ 5,130,105	\$ 5,129,305	\$ 5,128,458
First Mortgage (Taxable)		\$ 266,694	\$ 266,694	\$ 266,694	\$ 266,694	\$ 266,694	\$ 266,694
Non Profit GP Fee	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000
Net Levered Cash Flow		\$ 843,168	\$ 1,496,366	\$ 1,700,680	\$ 1,825,119	\$ 1,951,513	\$ 2,079,884

Attachment 4 - Developer's Project Pro Forma

Capital Management LLC ("LAC") and may not be used without the explicit written
 integrate or disseminate, in whole or in part, any of the content contained herein.

7	8	9	10	11	12	13	14	15	16	17
2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
-	-	-	-	-	-	-	-	-	-	-
Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40
\$ 10,495,696	\$ 10,705,610	\$ 10,919,722	\$ 11,138,117	\$ 11,360,879	\$ 11,588,097	\$ 11,819,859	\$ 12,056,256	\$ 12,297,381	\$ 12,543,329	\$ 12,794,195
2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
\$ 10,495,696	\$ 10,705,610	\$ 10,919,722	\$ 11,138,117	\$ 11,360,879	\$ 11,588,097	\$ 11,819,859	\$ 12,056,256	\$ 12,297,381	\$ 12,543,329	\$ 12,794,195
\$(524,785)	\$(535,281)	\$(545,986)	\$(556,906)	\$(568,044)	\$(579,405)	\$(590,993)	\$(602,813)	\$(614,869)	\$(627,166)	\$(639,710)
5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
\$9,970,912	\$10,170,330	\$10,373,736	\$10,581,211	\$10,792,835	\$11,008,692	\$11,228,866	\$11,453,443	\$11,682,512	\$11,916,162	\$12,154,486
\$282,587	\$291,065	\$299,797	\$308,791	\$318,055	\$327,596	\$337,424	\$347,547	\$357,973	\$368,713	\$379,774
\$10,253,499	\$10,461,395	\$10,673,533	\$10,890,002	\$11,110,890	\$11,336,288	\$11,566,290	\$11,800,990	\$12,040,485	\$12,284,875	\$12,534,259
\$61,671	\$63,521	\$65,426	\$67,389	\$69,411	\$71,493	\$73,638	\$75,847	\$78,122	\$80,466	\$82,880
\$431,972	\$444,931	\$458,279	\$472,028	\$486,188	\$500,774	\$515,797	\$531,271	\$547,209	\$563,626	\$580,534
\$262,812	\$270,696	\$278,817	\$287,181	\$295,797	\$304,671	\$313,811	\$323,225	\$332,922	\$342,909	\$353,197
\$175,714	\$180,985	\$186,415	\$192,007	\$197,767	\$203,700	\$209,811	\$216,106	\$222,589	\$229,267	\$236,145
\$405,847	\$418,022	\$430,563	\$443,480	\$456,784	\$470,488	\$484,602	\$499,140	\$514,114	\$529,538	\$545,424
\$107,332	\$110,552	\$113,869	\$117,285	\$120,803	\$124,427	\$128,160	\$132,005	\$135,965	\$140,044	\$144,245
\$505,036	\$520,187	\$535,792	\$551,866	\$568,422	\$585,475	\$603,039	\$621,130	\$639,764	\$658,957	\$678,726
\$71,914	\$74,072	\$76,294	\$78,583	\$80,940	\$83,368	\$85,869	\$88,445	\$91,099	\$93,832	\$96,647
\$16,672	\$17,173	\$17,688	\$18,218	\$18,765	\$19,328	\$19,908	\$20,505	\$21,120	\$21,754	\$22,406
\$7,189	\$7,405	\$7,627	\$7,856	\$8,091	\$8,334	\$8,584	\$8,842	\$9,107	\$9,380	\$9,662
\$ 2,046,158	\$ 2,107,543	\$ 2,170,769	\$ 2,235,892	\$ 2,302,969	\$ 2,372,058	\$ 2,443,220	\$ 2,516,516	\$ 2,592,012	\$ 2,669,772	\$ 2,749,865
\$230,704	\$235,381	\$240,155	\$245,025	\$249,995	\$255,066	\$260,242	\$265,522	\$270,911	\$276,410	\$282,021
\$249,050	\$256,521	\$264,217	\$272,143	\$280,308	\$288,717	\$297,378	\$306,300	\$315,489	\$324,953	\$334,702
-	-	-	-	-	-	-	-	-	-	-
\$ 2,525,912	\$ 2,599,446	\$ 2,675,141	\$ 2,753,061	\$ 2,833,272	\$ 2,915,841	\$ 3,000,840	\$ 3,088,338	\$ 3,178,412	\$ 3,271,135	\$ 3,366,588
\$97,075	\$99,988	\$102,987	\$106,077	\$109,259	\$112,537	\$115,913	\$119,390	\$122,972	\$126,661	\$130,461
\$ 2,622,987	\$ 2,699,433	\$ 2,778,128	\$ 2,859,138	\$ 2,942,531	\$ 3,028,378	\$ 3,116,753	\$ 3,207,729	\$ 3,301,384	\$ 3,397,797	\$ 3,497,050
\$7,630,512	\$7,761,962	\$7,895,406	\$8,030,864	\$8,168,359	\$8,307,910	\$8,449,537	\$8,593,261	\$8,739,102	\$8,887,078	\$9,037,210
-	-	-	-	-	-	-	-	-	-	-
\$5,127,561	\$5,126,611	\$5,125,605	\$5,124,540	\$5,123,413	\$5,122,219	\$5,120,955	\$5,119,617	\$5,118,200	\$5,116,700	\$5,115,111
\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694	\$266,694
\$ 26,000										
\$ 2,210,258	\$ 2,342,657	\$ 2,477,107	\$ 2,613,630	\$ 2,752,252	\$ 2,892,997	\$ 3,035,888	\$ 3,180,950	\$ 3,328,208	\$ 3,477,685	\$ 3,629,405

Attachment 4 - Developer's Project Pro Forma

18	19	20	21	22	23	24	25	26	27	28
2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
-	-	-	-	-	-	-	-	-	-	-
Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51
\$ 13,050,079	\$ 13,311,081	\$ 13,577,302	\$ 13,848,848	\$ 14,125,825	\$ 14,408,342	\$ 14,696,509	\$ 14,990,439	\$ 15,290,248	\$ 15,596,053	\$ 15,907,974
2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
\$ 13,050,079	\$ 13,311,081	\$ 13,577,302	\$ 13,848,848	\$ 14,125,825	\$ 14,408,342	\$ 14,696,509	\$ 14,990,439	\$ 15,290,248	\$ 15,596,053	\$ 15,907,974
\$(652,504)	\$(665,554)	\$(678,865)	\$(692,442)	\$(706,291)	\$(720,417)	\$(734,825)	\$(749,522)	\$(764,512)	\$(779,803)	\$(795,399)
5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
\$12,397,575	\$12,645,527	\$12,898,437	\$13,156,406	\$13,419,534	\$13,687,925	\$13,961,683	\$14,240,917	\$14,525,735	\$14,816,250	\$15,112,575
\$391,167	\$402,902	\$414,989	\$427,439	\$440,262	\$453,470	\$467,074	\$481,086	\$495,519	\$510,384	\$525,696
\$12,788,742	\$13,048,429	\$13,313,426	\$13,583,845	\$13,859,796	\$14,141,395	\$14,428,757	\$14,722,003	\$15,021,254	\$15,326,634	\$15,638,271
\$85,366	\$87,927	\$90,565	\$93,282	\$96,081	\$98,963	\$101,932	\$104,990	\$108,140	\$111,384	\$114,725
\$597,950	\$615,889	\$634,366	\$653,397	\$672,998	\$693,188	\$713,984	\$735,404	\$757,466	\$780,190	\$803,595
\$363,793	\$374,706	\$385,948	\$397,526	\$409,452	\$421,735	\$434,387	\$447,419	\$460,842	\$474,667	\$488,907
\$243,229	\$250,526	\$258,041	\$265,783	\$273,756	\$281,969	\$290,428	\$299,141	\$308,115	\$317,358	\$326,879
\$561,787	\$578,640	\$596,000	\$613,880	\$632,296	\$651,265	\$670,803	\$690,927	\$711,655	\$733,004	\$754,994
\$148,573	\$153,030	\$157,621	\$162,349	\$167,220	\$172,236	\$177,403	\$182,726	\$188,207	\$193,854	\$199,669
\$699,088	\$720,060	\$741,662	\$763,912	\$786,829	\$810,434	\$834,747	\$859,790	\$885,583	\$912,151	\$939,515
\$99,546	\$102,532	\$105,608	\$108,777	\$112,040	\$115,401	\$118,863	\$122,429	\$126,102	\$129,885	\$133,782
\$23,079	\$23,771	\$24,484	\$25,219	\$25,975	\$26,754	\$27,557	\$28,384	\$29,235	\$30,112	\$31,016
\$9,951	\$10,250	\$10,557	\$10,874	\$11,200	\$11,536	\$11,883	\$12,239	\$12,606	\$12,984	\$13,374
\$ 2,832,361	\$ 2,917,332	\$ 3,004,852	\$ 3,094,998	\$ 3,187,848	\$ 3,283,483	\$ 3,381,988	\$ 3,483,447	\$ 3,587,951	\$ 3,695,589	\$ 3,806,457
\$287,747	\$293,590	\$299,552	\$305,637	\$311,845	\$318,181	\$324,647	\$331,245	\$337,978	\$344,849	\$351,861
\$344,743	\$355,085	\$365,738	\$376,710	\$388,011	\$399,652	\$411,641	\$423,990	\$436,710	\$449,812	\$463,306
-	-	-	-	-	-	-	-	-	-	-
\$ 3,464,851	\$ 3,566,007	\$ 3,670,142	\$ 3,777,344	\$ 3,887,705	\$ 4,001,316	\$ 4,118,276	\$ 4,238,683	\$ 4,362,639	\$ 4,490,250	\$ 4,621,624
\$134,375	\$138,406	\$142,558	\$146,835	\$151,240	\$155,777	\$160,451	\$165,264	\$170,222	\$175,329	\$180,589
\$ 3,599,226	\$ 3,704,414	\$ 3,812,701	\$ 3,924,180	\$ 4,038,945	\$ 4,157,094	\$ 4,278,727	\$ 4,403,947	\$ 4,532,861	\$ 4,665,579	\$ 4,802,213
\$9,189,516	\$9,344,015	\$9,500,726	\$9,659,665	\$9,820,851	\$9,984,301	\$10,150,031	\$10,318,056	\$10,488,393	\$10,661,055	\$10,836,058
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
\$ 26,000										
\$ 9,163,516	\$ 9,318,015	\$ 9,474,726	\$ 9,633,665	\$ 9,794,851	\$ 9,958,301	\$ 10,124,031	\$ 10,292,056	\$ 10,462,393	\$ 10,635,055	\$ 10,810,058

Attachment 4 - Developer's Project Pro Forma

29	30	31	32	33	34	35	36	37	38	39
2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062
-	-	-	-	-	-	-	-	-	-	-
Dec-52	Dec-53	Dec-54	Dec-55	Dec-56	Dec-57	Dec-58	Dec-59	Dec-60	Dec-61	Dec-62
\$ 16,226,133	\$ 16,550,656	\$ 16,881,669	\$ 17,219,302	\$ 17,563,688	\$ 17,914,962	\$ 18,273,261	\$ 18,638,727	\$ 19,011,501	\$ 19,391,731	\$ 19,779,566
2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
\$ 16,226,133	\$ 16,550,656	\$ 16,881,669	\$ 17,219,302	\$ 17,563,688	\$ 17,914,962	\$ 18,273,261	\$ 18,638,727	\$ 19,011,501	\$ 19,391,731	\$ 19,779,566
\$(811,307)	\$(827,533)	\$(844,083)	\$(860,965)	\$(878,184)	\$(895,748)	\$(913,663)	\$(931,936)	\$(950,575)	\$(969,587)	\$(988,978)
5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
\$15,414,827	\$15,723,123	\$16,037,586	\$16,358,337	\$16,685,504	\$17,019,214	\$17,359,598	\$17,706,790	\$18,060,926	\$18,422,145	\$18,790,588
\$541,467	\$557,711	\$574,442	\$591,675	\$609,426	\$627,708	\$646,540	\$665,936	\$685,914	\$706,491	\$727,686
\$15,956,293	\$16,280,834	\$16,612,028	\$16,950,013	\$17,294,930	\$17,646,922	\$18,006,138	\$18,372,726	\$18,746,840	\$19,128,636	\$19,518,274
\$118,167	\$121,712	\$125,364	\$129,124	\$132,998	\$136,988	\$141,098	\$145,331	\$149,691	\$154,181	\$158,807
\$827,703	\$852,534	\$878,110	\$904,454	\$931,587	\$959,535	\$988,321	\$1,017,971	\$1,048,510	\$1,079,965	\$1,112,364
\$503,574	\$518,681	\$534,242	\$550,269	\$566,777	\$583,780	\$601,294	\$619,333	\$637,913	\$657,050	\$676,761
\$336,686	\$346,786	\$357,190	\$367,905	\$378,943	\$390,311	\$402,020	\$414,081	\$426,503	\$439,298	\$452,477
\$777,644	\$800,974	\$825,003	\$849,753	\$875,245	\$901,503	\$928,548	\$956,404	\$985,096	\$1,014,649	\$1,045,089
\$205,659	\$211,829	\$218,184	\$224,729	\$231,471	\$238,415	\$245,568	\$252,935	\$260,523	\$268,339	\$276,389
\$967,701	\$996,732	\$1,026,634	\$1,057,433	\$1,089,156	\$1,121,830	\$1,155,485	\$1,190,150	\$1,225,854	\$1,262,630	\$1,300,509
\$137,795	\$141,929	\$146,187	\$150,572	\$155,090	\$159,742	\$164,535	\$169,471	\$174,555	\$179,791	\$185,185
\$31,946	\$32,905	\$33,892	\$34,908	\$35,956	\$37,034	\$38,145	\$39,290	\$40,468	\$41,683	\$42,933
\$13,775	\$14,188	\$14,614	\$15,052	\$15,504	\$15,969	\$16,448	\$16,942	\$17,450	\$17,973	\$18,513
\$ 3,920,651	\$ 4,038,270	\$ 4,159,418	\$ 4,284,201	\$ 4,412,727	\$ 4,545,109	\$ 4,681,462	\$ 4,821,906	\$ 4,966,563	\$ 5,115,560	\$ 5,269,027
\$359,017	\$366,319	\$373,771	\$381,375	\$389,136	\$397,056	\$405,138	\$413,386	\$421,804	\$430,394	\$439,161
\$477,205	\$491,521	\$506,267	\$521,455	\$537,098	\$553,211	\$569,808	\$586,902	\$604,509	\$622,644	\$641,324
-	-	-	-	-	-	-	-	-	-	-
\$ 4,756,872	\$ 4,896,110	\$ 5,039,456	\$ 5,187,031	\$ 5,338,961	\$ 5,495,376	\$ 5,656,408	\$ 5,822,194	\$ 5,992,876	\$ 6,168,598	\$ 6,349,511
\$186,006	\$191,587	\$197,334	\$203,254	\$209,352	\$215,632	\$222,101	\$228,764	\$235,627	\$242,696	\$249,977
\$ 4,942,879	\$ 5,087,697	\$ 5,236,790	\$ 5,390,285	\$ 5,548,313	\$ 5,711,008	\$ 5,878,509	\$ 6,050,959	\$ 6,228,503	\$ 6,411,295	\$ 6,599,489
\$11,013,415	\$11,193,137	\$11,375,238	\$11,559,727	\$11,746,616	\$11,935,914	\$12,127,629	\$12,321,768	\$12,518,337	\$12,717,341	\$12,918,785
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
\$ 26,000										
\$ 10,987,415	\$ 11,167,137	\$ 11,349,238	\$ 11,533,727	\$ 11,720,616	\$ 11,909,914	\$ 12,101,629	\$ 12,295,768	\$ 12,492,337	\$ 12,691,341	\$ 12,892,785

Attachment 4 - Developer's Project Pro Forma

40	41	42	43	44	45	46	47	48	49	50
2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073
-	-	-	-	-	-	-	-	-	-	-
Dec-63	Dec-64	Dec-65	Dec-66	Dec-67	Dec-68	Dec-69	Dec-70	Dec-71	Dec-72	Dec-73
\$ 20,175,157	\$ 20,578,660	\$ 20,990,233	\$ 21,410,038	\$ 21,838,239	\$ 22,275,004	\$ 22,720,504	\$ 23,174,914	\$ 23,638,412	\$ 24,111,180	\$ 24,593,404
2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
\$ 20,175,157	\$ 20,578,660	\$ 20,990,233	\$ 21,410,038	\$ 21,838,239	\$ 22,275,004	\$ 22,720,504	\$ 23,174,914	\$ 23,638,412	\$ 24,111,180	\$ 24,593,404
\$(1,008,758)	\$(1,028,933)	\$(1,049,512)	\$(1,070,502)	\$(1,091,912)	\$(1,113,750)	\$(1,136,025)	\$(1,158,746)	\$(1,181,921)	\$(1,205,559)	\$(1,229,670)
5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
\$19,166,399	\$19,549,727	\$19,940,722	\$20,339,536	\$20,746,327	\$21,161,254	\$21,584,479	\$22,016,168	\$22,456,492	\$22,905,621	\$23,363,734
\$749,517	\$772,002	\$795,162	\$819,017	\$843,588	\$868,895	\$894,962	\$921,811	\$949,465	\$977,949	\$1,007,288
\$19,915,916	\$20,321,729	\$20,735,884	\$21,158,553	\$21,589,915	\$22,030,149	\$22,479,441	\$22,937,979	\$23,405,957	\$23,883,571	\$24,371,021
\$163,571	\$168,478	\$173,532	\$178,738	\$184,101	\$189,624	\$195,312	\$201,172	\$207,207	\$213,423	\$219,826
\$1,145,735	\$1,180,107	\$1,215,510	\$1,251,975	\$1,289,535	\$1,328,221	\$1,368,067	\$1,409,109	\$1,451,383	\$1,494,924	\$1,539,772
\$697,064	\$717,976	\$739,515	\$761,701	\$784,552	\$808,089	\$832,331	\$857,301	\$883,020	\$909,511	\$936,796
\$466,052	\$480,033	\$494,434	\$509,267	\$524,545	\$540,282	\$556,490	\$573,185	\$590,380	\$608,092	\$626,334
\$1,076,441	\$1,108,735	\$1,141,997	\$1,176,257	\$1,211,544	\$1,247,891	\$1,285,327	\$1,323,887	\$1,363,604	\$1,404,512	\$1,446,647
\$284,680	\$293,221	\$302,018	\$311,078	\$320,410	\$330,023	\$339,923	\$350,121	\$360,625	\$371,443	\$382,587
\$1,339,524	\$1,379,710	\$1,421,101	\$1,463,734	\$1,507,646	\$1,552,876	\$1,599,462	\$1,647,446	\$1,696,869	\$1,747,775	\$1,800,209
\$190,741	\$196,463	\$202,357	\$208,427	\$214,680	\$221,121	\$227,754	\$234,587	\$241,625	\$248,873	\$256,339
\$44,221	\$45,548	\$46,914	\$48,321	\$49,771	\$51,264	\$52,802	\$54,386	\$56,018	\$57,698	\$59,429
\$19,068	\$19,640	\$20,229	\$20,836	\$21,461	\$22,105	\$22,768	\$23,451	\$24,155	\$24,879	\$25,626
\$ 5,427,097	\$ 5,589,910	\$ 5,757,608	\$ 5,930,336	\$ 6,108,246	\$ 6,291,493	\$ 6,480,238	\$ 6,674,645	\$ 6,874,885	\$ 7,081,131	\$ 7,293,565
\$448,108	\$457,239	\$466,557	\$476,067	\$485,773	\$495,678	\$505,787	\$516,105	\$526,634	\$537,380	\$548,348
\$660,563	\$680,380	\$700,792	\$721,815	\$743,470	\$765,774	\$788,747	\$812,410	\$836,782	\$861,885	\$887,742
-	-	-	-	-	-	-	-	-	-	-
\$ 6,535,769	\$ 6,727,530	\$ 6,924,957	\$ 7,128,219	\$ 7,337,489	\$ 7,552,946	\$ 7,774,773	\$ 8,003,159	\$ 8,238,301	\$ 8,480,397	\$ 8,729,655
\$257,476	\$265,201	\$273,157	\$281,351	\$289,792	\$298,486	\$307,440	\$316,664	\$326,163	\$335,948	\$346,027
\$ 6,793,245	\$ 6,992,730	\$ 7,198,113	\$ 7,409,570	\$ 7,627,281	\$ 7,851,431	\$ 8,082,213	\$ 8,319,823	\$ 8,564,464	\$ 8,816,345	\$ 9,075,682
\$13,122,671	\$13,328,999	\$13,537,771	\$13,748,983	\$13,962,634	\$14,178,717	\$14,397,228	\$14,618,156	\$14,841,493	\$15,067,225	\$15,295,340
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
\$ 26,000										
\$ 13,096,671	\$ 13,302,999	\$ 13,511,771	\$ 13,722,983	\$ 13,936,634	\$ 14,152,717	\$ 14,371,228	\$ 14,592,156	\$ 14,815,493	\$ 15,041,225	\$ 15,269,340

Attachment 4 - Developer's Project Pro Forma

51 2074 — Dec-74	52 2075 — Dec-75	53 2076 — Dec-76	54 2077 — Dec-77	55 2078 — Dec-78
\$ 25,085,272	\$ 25,586,977	\$ 26,098,717	\$ 26,620,691	\$ 27,153,105
2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
\$ 25,085,272	\$ 25,586,977	\$ 26,098,717	\$ 26,620,691	\$ 27,153,105
\$(1,254,264)	\$(1,279,349)	\$(1,304,936)	\$(1,331,035)	\$(1,357,655)
5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
\$23,831,008	\$24,307,629	\$24,793,781	\$25,289,657	\$25,795,450
\$1,037,506	\$1,068,631	\$1,100,690	\$1,133,711	\$1,167,722
\$24,868,515	\$25,376,260	\$25,894,472	\$26,423,368	\$26,963,172
\$226,420	\$233,213	\$240,209	\$247,416	\$254,838
\$1,585,965	\$1,633,544	\$1,682,550	\$1,733,027	\$1,785,018
\$964,900	\$993,847	\$1,023,662	\$1,054,372	\$1,086,003
\$645,124	\$664,478	\$684,413	\$704,945	\$726,093
\$1,490,047	\$1,534,748	\$1,580,791	\$1,628,214	\$1,677,061
\$394,064	\$405,886	\$418,063	\$430,605	\$443,523
\$1,854,215	\$1,909,841	\$1,967,136	\$2,026,151	\$2,086,935
\$264,030	\$271,951	\$280,109	\$288,512	\$297,168
\$61,212	\$63,049	\$64,940	\$66,888	\$68,895
\$26,395	\$27,186	\$28,002	\$28,842	\$29,707
\$ 7,512,372	\$ 7,737,743	\$ 7,969,876	\$ 8,208,972	\$ 8,455,241
\$559,542	\$570,966	\$582,626	\$594,526	\$606,671
\$914,374	\$941,805	\$970,060	\$999,161	\$1,029,136
—	—	—	—	—
\$ 8,986,288	\$ 9,250,514	\$ 9,522,561	\$ 9,802,659	\$ 10,091,049
\$356,408	\$367,100	\$378,113	\$389,456	\$401,140
\$ 9,342,695	\$ 9,617,614	\$ 9,900,674	\$ 10,192,115	\$ 10,492,188
\$15,525,819	\$15,758,646	\$15,993,798	\$16,231,253	\$16,470,984
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
\$ 26,000				
\$ 15,499,819	\$ 15,732,646	\$ 15,967,798	\$ 16,205,253	\$ 16,444,984

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.



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

Statement for Public Disclosure

1. Name of CONTRACTOR: _____
2. Email: _____
2. Address and Zip Code: _____
3. Telephone Number: _____
4. Name of Principal Contact for CONTRACTOR: _____
5. Federal Identification Number or Social Security Number of CONTRACTOR: _____
6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as (*select and upload requested documents*):

- A corporation (*Upload* Articles of Incorporation) 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:



Attachment 6 - 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:
- a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
 - b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
 - c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
 - d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
 - e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%. (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.
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.



Attachment 6 - Developer's Disclosure Statements

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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 6 - Developer's Disclosure Statements

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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 LLC and its affiliates
Address: (See Exhibit B)	
Name:	
Address:	
Name:	
Address:	

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

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: _____
 - Address: _____
 - Amount: \$ _____
 - b. By loans from affiliated or associated corporations or firms:
 - Name: _____
 - Address: _____
 - Amount: \$ _____



Attachment 6 - Developer's Disclosure Statements

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

Description	Market Value (\$)	Mortgages or Liens (\$)
LACM LLC affiliated entity line of credit with Keybank	\$8.25MM undrawn as of 5/31	
LACM LLC affiliated entity cash balance at Citibank as of 5/31	\$4,266,119.86 as of 5/31	

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 6 - Developer's Disclosure Statements

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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

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 6 - Developer's Disclosure Statements

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

Yes No

If yes, please explain, in detail, each such instance: _____

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

General description of such work: _____

Complete one table for each project:

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



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

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



Attachment 6 - 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

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:

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 6 - 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:

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)]: _____

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



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

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

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

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

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the SDHC setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the SDHC, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the SDHC, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.

29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the SDHC, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the SDHC was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.



Attachment 6 - 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

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

Yes No

If yes, please explain in detail: _____

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

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



Attachment 6 - 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.

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.

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

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

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

Yes No

If yes, please explain: _____

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

Yes No

If yes, please explain: _____



Attachment 6 - 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: _____
 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.

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

Name	Experience

Attachment 6 - Developer's Disclosure Statements



Real Estate Department

CERTIFICATION

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

By: TJ By: _____
Title: VP Title: _____
Dated: 6/21/23 Dated: _____

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

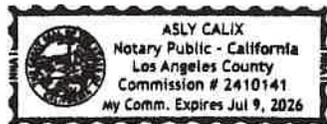
JURAT

State of California

County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 21 day of June, 2023

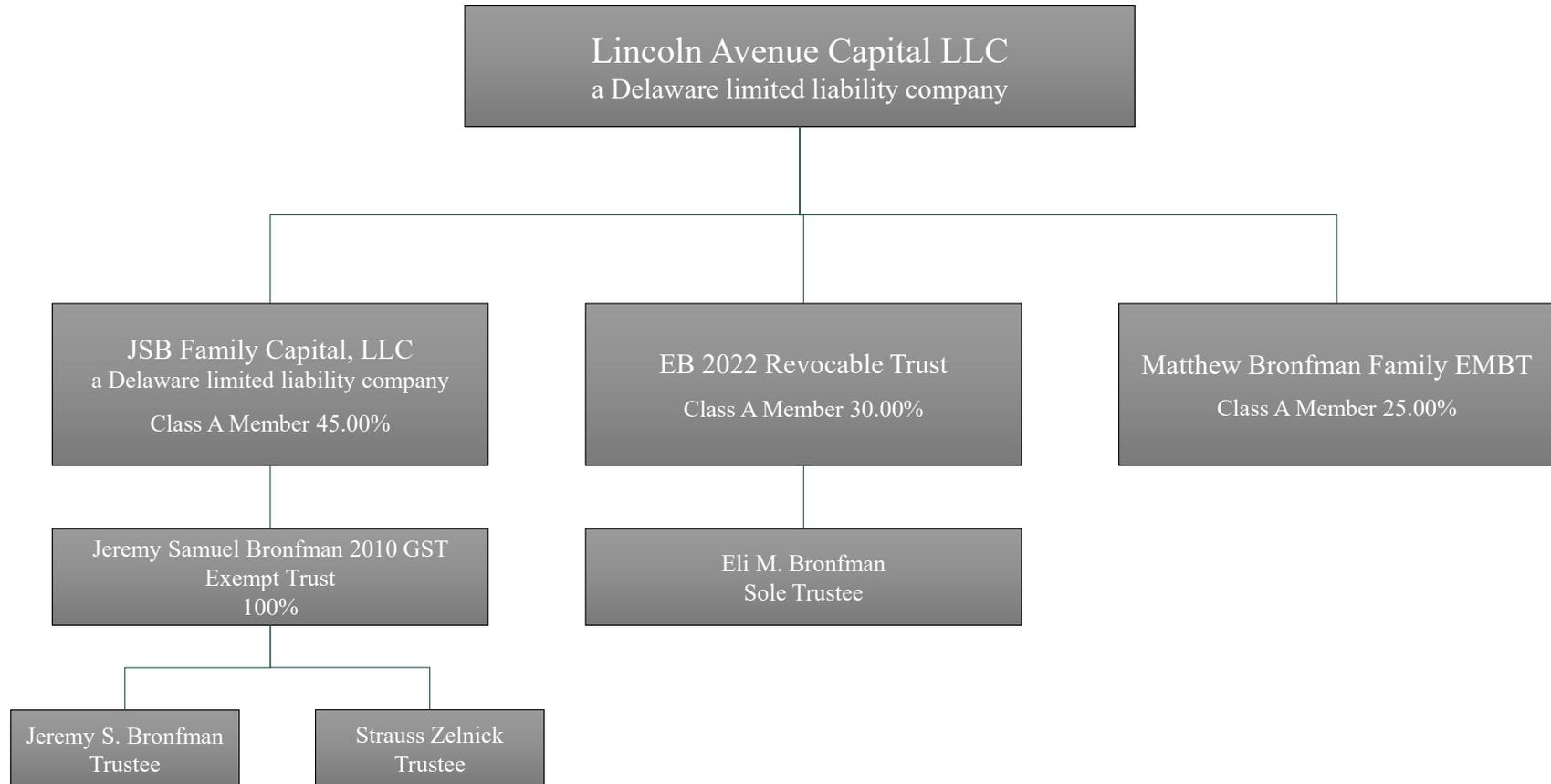
by Tyler Conger personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



[Signature]
Signature of Notary

SEAL

Attachment 6 - Developer's Disclosure Statements
Exhibit A - Lincoln Avenue Capital LLC

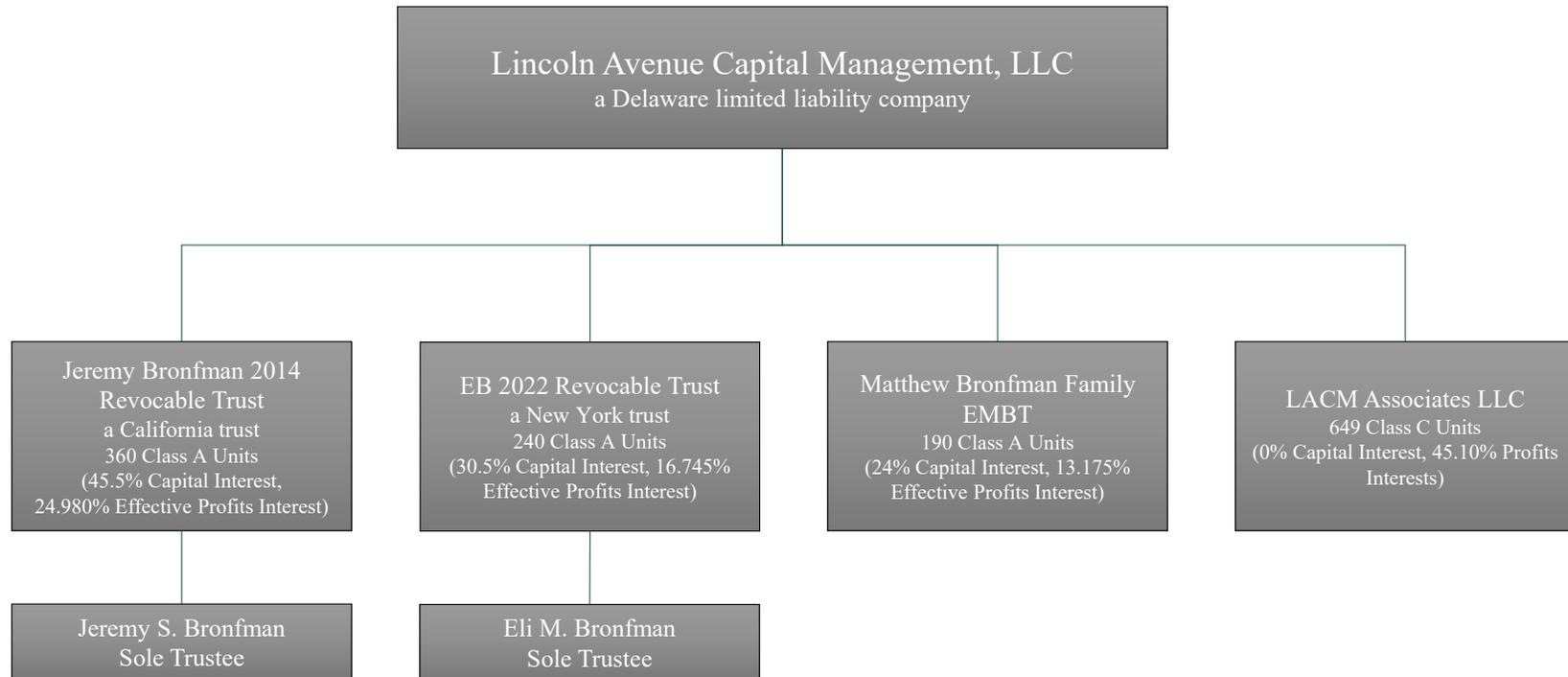


Address: 401 Wilshire Blvd Suite
1100 Santa Monica CA 90401

Phone Number: 424-222-8396

Attachment 6 - 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

Delaware

Page 1

The First State

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

Authentication: 202093827
Date: 04-05-16

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

Attachment 6 - 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 - FileNumber 6008115

CERTIFICATE OF FORMATION OF LINCOLN AVENUE CAPITAL LLC

I.

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

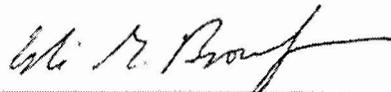
II.

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 6 - 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@bwbn.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 6 - 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 6 - 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 6 - Developer's Disclosure Statements

Exhibit E



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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="padding: 2px;">CONTACT NAME:</td> </tr> <tr> <td style="width: 70%; padding: 2px;">PHONE (A/C, No, Ext): 404 497-7500</td> <td style="padding: 2px;">FAX (A/C, No):</td> </tr> <tr> <td colspan="2" style="padding: 2px;">E-MAIL ADDRESS: michelle.barbre@mcgriff.com</td> </tr> </table>	CONTACT NAME:		PHONE (A/C, No, Ext): 404 497-7500	FAX (A/C, No):	E-MAIL ADDRESS: michelle.barbre@mcgriff.com	
CONTACT NAME:							
PHONE (A/C, No, Ext): 404 497-7500	FAX (A/C, No):						
E-MAIL ADDRESS: michelle.barbre@mcgriff.com							
INSURER(S) AFFORDING COVERAGE							
INSURER A : Texas Insurance Company	NAIC # 16543						
INSURER B : Arch Specialty Insurance Company	21199						
INSURER C : Allied World National Assurance Company	10690						
INSURER D :							
INSURER E :							
INSURER F :							

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

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 checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <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 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? <input type="checkbox"/> Y / N <input checked="" type="checkbox"/> N / A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<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

CANCELLATION

Lincoln Avenue Capital Management, LLC 401 Wilshire Blvd Ste. 1070 Santa Monica, CA 90401	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 6 - Developer's Disclosure Statements

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

Acct#: 2831423

6/16/2023

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 Lockton Companies, LLC 3657 Briarpark Dr., Suite 700 Houston, TX 77042	CONTACT NAME: 888-828-8365
	PHONE (A/C. No. Ext): _____ FAX (A/C. No): _____ E-MAIL ADDRESS: INSPERITYCERTS@LOCKTONAFFINITY.COM
INSURER(S) AFFORDING COVERAGE	
INSURER A: Ace American Insurance Co.	NAIC # 22667
INSURED LINCOLN AVENUE CAPITAL MANAGEMENT, LLC 401 WILSHIRE BLVD STE 1070 SANTA MONICA, CA 90401-1428	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

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 <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 \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	C51643525	10/1/2022	10/1/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

CERTIFICATE HOLDER**CANCELLATION**

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

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