



SAN DIEGO
HOUSING
COMMISSION

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San Diego Housing Commission

Preliminary Bond Authorization for Keeler Court

Housing Authority Agenda Item #2 and City Council Agenda Item #332
February 12, 2019

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SDHC – Keeler Court Partnership Development Recommendations

That the Housing Authority of the City of San Diego (Housing Authority):

1. Approve the following steps to issue tax-exempt Multifamily Housing Revenue Bonds for Keeler Court
 - Issue a bond inducement resolution for up to \$25,000,000
 - Authorize an application to the California Debt Limit Allocation Committee (CDLAC)
 - Approve a financing team of Kutak Rock, LLP as Bond Counsel and PFM as Financial Advisor
2. Authorize the Executive Vice President & Chief of Staff, or designee, to execute any and all documents necessary to implement the transaction in a form approved by General Counsel and/or Bond Counsel.





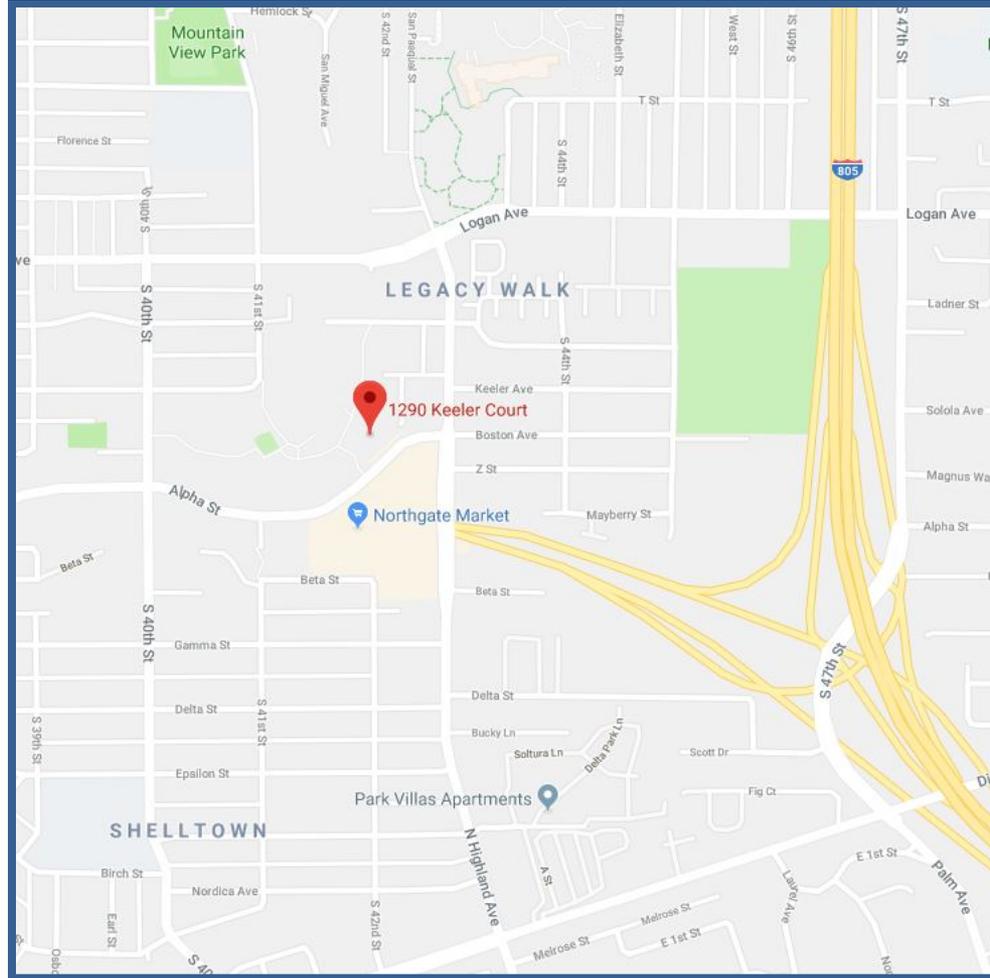
SDHC – Keeler Court Partnership Development Recommendations (Continued)

That the San Diego City Council (City Council):

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount of up to \$25,000,000.



SDHC – Keeler Court Partnership Development Location Map



SDHC – Keeler Court Partnership Development Site Rendering by BNIM



SDHC – Keeler Court Partnership Development Site Rendering by BNIM (Continued)





SDHC – Keeler Court Partnership Development Developer's Request

- Issue up to \$25,000,000 of tax-exempt Multifamily Housing Revenue Bonds
- Authorize an Inducement Resolution
- Hold a Tax Equity Responsibility Act Public Hearing
- No SDHC loan funds are requested for this rehabilitation.





SDHC – Keeler Court Partnership Development Development Team Summary

Role	Firm/Contract
Owner	Keeler Court Housing Associates, LP
Managing Partner	Las Conchas Housing Opportunities, LLC
Administrative General Partner	Keeler Court Housing Associates, LP
Investor Limited Partner	Esperanza Housing & Community Development Corporation
Developer	Community Housing Works
Architect	BNIM
Civil Engineer	Project Design Consultants
General Contractor	Highland PM, LLC
Property Manager	ConAm Management
Construction & Permanent Lender	To-be-determined



SDHC – Keeler Court Partnership Development Estimated Sources & Uses of Financing

Permanent Financing Sources	Amount	Permanent Financing Uses	Amount
Permanent Loan	\$2,870,000	Acquisition	\$3,271,794
AHSC Loan	7,394,135	Construction Hard Costs	20,650,582
Successor Agency Loan	6,000,000	Soft Costs	4,571,531
AHP Loan	940,000	Financing Costs	2,992,124
IIG Grant	700,000	Reserves	198,018
Seller Carryback Note	2,115,000	Developer Fee	4,008,418
Deferred Developer Fee	175,000		
GP Contribution (developer fee contributed to the project)	2,433,418		
Accrued Interest Soft Debt	352,573		
Refunds	103,500		
Tax Credit Equity	12,608,840		
Total	\$35,692,466	Total	\$35,692,466

- Estimated Total Development Cost Per Unit (for 71 Units) = \$502,711



SDHC – Keeler Court Partnership Development Affordability & Estimated Rents

Unit Type	AMI	Unit Count	Proposed Rent
One Bedroom	30%	4	\$512
Two Bedroom	30%	6	\$608
Three Bedroom	30%	5	\$687
Studio	40%	2	\$682
One Bedroom	40%	2	\$695
Two Bedroom	40%	2	\$827
Three Bedroom	40%	1	\$940
Studio	50%	6	\$822
One Bedroom	50%	8	\$878
Two Bedroom	50%	6	\$1,043
Three Bedroom	50%	8	\$1,193
Studio	60%	2	\$993
One Bedroom	60%	6	\$1,060
Two Bedroom	60%	4	\$1,265
Three Bedroom	60%	8	\$1,446
Manager	N/A	1	-
Total		71	



SDHC – Keeler Court Partnership Development Development Timeline

Milestone	Estimated Date
• Housing Authority preliminary approval.....	February 2019
• City Council IRS-required TEFRA hearing....	February 2019
• CDLAC bond allocation application.....	March 2019
• CDLAC allocation meeting.....	May 2019
• TCAC allocation meeting.....	May 2019
• Housing Commission final bond authorization.....	November 2019
• Housing Authority final bond authorization.....	December 2019
• Bond issuance and escrow closing.....	December 2019
• Start of construction work.....	December 2019
• Completion of construction work.....	December 2020





SDHC – Keeler Court Partnership Development

Questions?

