CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
November 30, 2022

Junipers, located at NW corner of I-15 and Carmel Mountain Rd in San Diego, requested $1,390,501 in annual federal tax credits and is being recommended for $1,390,501 in annual federal tax credits to finance the new construction of 80 units of housing serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The project will be developed by Chelsea Investment Corporation and will be located in Senate District 39 and Assembly District 77.

Project Number CA-22-568

Project Name Junipers
Site Address: NW corner of I-15 and Carmel Mountain Rd
San Diego, CA 92129 County: San Diego
Census Tract: 170.34

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	$1,390,501	$0
Recommended:	$1,390,501	$0

Applicant Information
Applicant: Pacific Southwest Community Development Corp
Contact: Robert Laing
Address: 16935 West Bernardo Drive, Suite #238
San Diego, CA 92127
Phone: 858-675-0506
Email: robertlaing@pswcdc.org

General Partner(s) or Principal Owner(s): Pacific Southwest Community Development Corp.
CIC Junipers, LLC
General Partner Type: Joint Venture
Parent Company(ies): Pacific Southwest Community Development Corp.
Chelsea Investment Corporation
Developer: Chelsea Investment Corporation
Bond Issuer: Housing Authority of the City of San Diego
Investor/Consultant: US Bank CDC
Management Agent: CONAM Management

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	81	
No. / % of Low Income Units:	80	100.00%
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Non-Targeted
Geographic Area:	San Diego County
CTCAC Project Analyst:	Nick White

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	8	10%
40% AMI:	4	5%
50% AMI:	8	10%
60% AMI:	60	75%

Unit Mix

65	1-Bedroom Units
16	2-Bedroom Units
81	Total Units

Unit Type & Number		2022 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
50	1 Bedroom	60%	$1,464
6	1 Bedroom	50%	$1,220
2	1 Bedroom	40%	$976
7	1 Bedroom	30%	$732
10	2 Bedrooms	60%	$1,756
2	2 Bedrooms	50%	$1,463
2	2 Bedrooms	40%	$1,171
1	2 Bedrooms	30%	$878
1	2 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$167,101
Construction Costs	$17,406,856
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$870,343
Soft Cost Contingency	$142,059
Relocation	$0
Architectural/Engineering	$879,147
Const. Interest, Perm. Financing	$2,123,894
Legal Fees	$215,000
Reserves	$275,488
Other Costs	$2,518,334
Developer Fee	$3,487,878
Commercial Costs	$0
Total	**$28,086,099**

Residential

Construction Cost Per Square Foot:	$237
Per Unit Cost:	$346,742
True Cash Per Unit Cost*:	$319,292

Construction Financing

Source	Amount
Citibank Tax Exempt Bonds	$14,000,000
Citibank Taxable	$9,507,305
Master Developer Loan	$450,000
Capital Loan	$162,000
Accrued Interest	$22,950
Deferred Costs	$3,311,166
Tax Credit Equity	$632,678

Permanent Financing

Source	Amount
Citibank	$10,960,000
CIC Opportunities Fund III	$1,500,000
Master Developer	$450,000
Capital Loan	$162,000
Accrued Interest	$22,950
Deferred Developer Fee	$2,223,475
Solar Equity	$114,114
Tax Credit Equity	$12,653,559
TOTAL	**$28,086,099**

*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	$26,740,398
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$34,762,518
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$1,390,501
Approved Developer Fee (in Project Cost & Eligible Basis):	$3,487,878
Investor/Consultant:	US Bank CDC
Federal Tax Credit Factor:	$0.91000

Except as allowed for projects basing cost on assumed third party debt, the "as if vacant" land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Significant Information / Additional Conditions: None**.**

Resyndication and Resyndication Transfer Event: None**.**

Standard Conditions
If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by CTCAC in its final feasibility analysis.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.