

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 5, 2025**

SDSU Mission Valley, located at Jacaranda Street, Wildrose Road, and Coffeeberry Road in San Diego on a 1.19 acre site, requested and is being recommended for a reservation of \$3,929,628 in annual federal tax credits and \$5,543,999 in total state tax credits and \$43,500,000 of tax-exempt bond cap to finance the new construction of 126 units of housing, consisting of 125 restricted rental units and 1 unrestricted manager's unit. The project will have 61 one-bedroom units, 33 two-bedroom units, and 32 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in January 2026 and be completed in August 2027. The project will be developed by Chelsea Investment Corporation and will be located in Senate District 39 and Assembly District 78.

<b>Project Number</b>	CA-25-562
<b>Project Name</b>	SDSU Mission Valley
Site Address:	Jacaranda Street, Wildrose Road, and Coffeeberry Road San Diego, CA 92109
County:	San Diego
Census Tract:	0093.07

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,929,628	\$5,543,999
Recommended:	\$3,929,628	\$5,543,999

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

<b>Tax-Exempt Bond Allocation</b>	
Recommended:	\$43,500,000

<b>CTCAC Applicant Information</b>	
CTCAC Applicant/CDLAC Sponsor:	Southern California Housing Collaborative
Contact:	Nathan Schmid
Address:	2400 Fenton Street #206 Chula Vista, CA 91914
Phone:	619-271-3535
Email:	nathan@socalhc.org

<b>Bond Financing Information</b>	
CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser:	Citi Community Capital

**Development Team**

General Partners / Principal Owners:	Southern California Housing Collaborative CIC SDSU MV, LLC
General Partner Type:	Joint Venture
Parent Companies:	Southern California Housing Collaborative Chelsea Investment Corporation
Developer:	Chelsea Investment Corporation
Investor/Consultant:	Raymond James
Management Agent:	CONAM Management Corporation

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	126
No. / % of Low Income Units:	125                      100.00%
Average Targeted Affordability:	48.96%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt

**Information**

Housing Type:	Large Family
Geographic Area:	Coastal Region
State Ceiling Pool:	New Construction
Set Aside:	Extremely Low/Very Low Income Set Aside
CDLAC Project Analyst:	Erin DeBlaquiere
CTCAC Project Analyst:	Sabrina Yang

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	13	10%
50% AMI:	99	79%
60% AMI:	13	10%

**Unit Mix**

61	1-Bedroom Units
33	2-Bedroom Units
32	3-Bedroom Units
126	Total Units

<b>Unit Type &amp; Number</b>	<b>2025 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
6 1 Bedroom	30%	\$930
3 1 Bedroom	50%	\$1,550
46 1 Bedroom	50%	\$1,550
6 1 Bedroom	60%	\$1,860
3 2 Bedrooms	30%	\$1,116
26 2 Bedrooms	50%	\$1,861
3 2 Bedrooms	60%	\$2,233
3 3 Bedrooms	30%	\$1,290
1 3 Bedrooms	30%	\$1,290
24 3 Bedrooms	50%	\$2,150
4 3 Bedrooms	60%	\$2,580
1 2 Bedrooms	Manager's Unit	\$0

#### **Project Cost Summary at Application**

Land and Acquisition	\$14,547,400
Construction Costs	\$43,990,041
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,199,502
Soft Cost Contingency	\$851,142
Relocation	\$0
Architectural/Engineering	\$2,360,072
Const. Interest, Perm. Financing	\$7,692,087
Legal Fees	\$968,278
Reserves	\$720,000
Other Costs	\$5,988,233
Developer Fee	\$9,856,925
Commercial Costs	\$0
<b>Total</b>	<b>\$89,173,680</b>

#### **Residential**

Construction Cost Per Square Foot:	\$370
Per Unit Cost:	\$707,728
Estimated Hard Per Unit Cost:	\$310,220
True Cash Per Unit Cost*:	\$706,533
Bond Allocation Per Unit:	\$345,238
Bond Allocation Per Restricted Rental Unit:	\$348,000

#### **Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$43,500,000
Citibank: Recycled Tax-Exempt	\$3,000,000
Citibank: Taxable	\$9,227,326
Board of Trustees: CSU <sup>1</sup>	\$16,797,400
Accrued Interest	\$1,007,844
Deferred Costs	\$11,695,166
Tax Credit Equity	\$3,945,944

#### **Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$20,500,000
Board of Trustees: CSU <sup>1</sup>	\$16,797,400
CIC Opportunities Fund VI	\$3,000,000
Accrued Interest	\$1,007,844
Deferred Developer Fee	\$8,258,511
Solar Tax Credit Equity	\$150,480
Tax Credit Equity	\$39,459,445
<b>TOTAL</b>	<b>\$89,173,680</b>

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

<sup>1</sup>California State University

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$75,569,763
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$98,240,692
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,929,628
Total State Credit:	\$5,543,999
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,856,925
Federal Tax Credit Factor:	\$0.88000
State Tax Credit Factor:	\$0.88000

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.

**CTCAC Significant Information / Additional Conditions:**

Staff noted a per unit development cost of \$687,442. The applicant noted that this per unit cost is attributed to high cost of land, offsite improvements, prevailing wages, and high interest rates for insurance.

**CDLAC Analyst Comments:** None.

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

**Standard Conditions**

The applicant 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.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 117.080%