

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
December 10, 2025**

Sol Vista Apartments, located at 1485 Santa Victoria Road in Chula Vista on a 2.4 acre site, requested and is being recommended for a reservation of \$2,427,651 in annual federal tax credits and \$14,000,000 of tax-exempt bond cap to finance the new construction of 97 units of housing, consisting of 96 restricted rental units and 1 unrestricted manager's unit. The project will have 37 one-bedroom units, 32 two-bedroom units, and 28 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in May 2026 and be completed in July 2027. The project will be developed by V2 Mixed Use, LLC and will be located in Senate District 18 and Assembly District 80.

Project Number CA-25-824

Project Name Sol Vista Apartments
Site Address: 1485 Santa Victoria Road
Chula Vista, CA 91913
County: San Diego
Census Tract: 0133.17

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,427,651	\$0
Recommended:	\$2,427,651	\$0

Tax-Exempt Bond Allocation
Recommended: \$14,000,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: MU2 Affordable LP
Contact: Nick Lee
Address: 20 Corporate Plaza Drive
Newport Beach, CA 92660
Phone: 619.234.4050
Email: nlee@baldwinsons.com

Bond Financing Information
CDLAC Applicant/Bond Issuer: City of Chula Vista
Bond Counsel: Stradling, Yocca, Carlson & Rauth
Private Placement Purchaser: Citi Community Capital

Development Team
General Partners / Principal Owners: MU2 Affordable LLC
South Bay Community Service
General Partner Type: Joint Venture
Parent Companies: MU2 Affordable LLC
South Bay Community Service
Developer: V2 Mixed Use, LLC
Investor/Consultant: Red Stone Equity Partners
Management Agent: CONAM Management Corporation

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	96
No. / % of Low Income Units:	96 100.00%
Average Targeted Affordability:	59.90%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

Information

Housing Type:	Large Family
Geographic Area:	Coastal Region
CDLAC Project Analyst:	Brandon Medina
CTCAC Project Analyst:	Nick White

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	10	10%
50% AMI:	10	10%
60% AMI:	37	39%
70% AMI*:	39	41%

*CTCAC restricted only

Unit Mix

37	1-Bedroom Units
32	2-Bedroom Units
28	3-Bedroom Units
97	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
4 1 Bedroom	30%	\$930
4 1 Bedroom	50%	\$1,550
16 1 Bedroom	60%	\$1,860
13 1 Bedroom	70%	\$2,170
3 2 Bedrooms	30%	\$1,116
3 2 Bedrooms	50%	\$1,861
12 2 Bedrooms	60%	\$2,233
13 2 Bedrooms	70%	\$2,605
3 3 Bedrooms	30%	\$1,290
3 3 Bedrooms	50%	\$2,150
5 3 Bedrooms	60%	\$2,580
4 3 Bedrooms	60%	\$2,580
13 3 Bedrooms	70%	\$3,010
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1
Construction Costs	\$28,918,652
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,168,899
Soft Cost Contingency	\$644,350
Relocation	\$0
Architectural/Engineering	\$775,000
Const. Interest, Perm. Financing	\$3,759,793
Legal Fees	\$228,860
Reserves	\$520,201
Other Costs	\$6,734,127
Developer Fee	\$6,113,119
Commercial Costs	\$0
Total	\$49,863,002

Residential

Construction Cost Per Square Foot:	\$303
Per Unit Cost:	\$519,406
Estimated Hard Per Unit Cost:	\$265,336
True Cash Per Unit Cost*:	\$462,112
Bond Allocation Per Unit:	\$145,833
Bond Allocation Per Restricted Rental Unit:	\$245,614

Construction Financing

Source	Amount
Citibank, N.A.: Tax-Exempt	\$14,000,000
Citibank, N.A.: Taxable	\$14,855,749
V2 Mixed Use, LLC	\$7,350,000
Land Donation	\$1
Accrued Interest	\$750,000
Deferred Developer Fee	\$5,038,110
Tax Credit Equity	\$7,869,142

Permanent Financing

Source	Amount
Citibank, N.A.: Tax- Exempt	\$14,000,000
Citibank, N.A.: Taxable	\$2,939,535
V2 Mixed Use, LLC	\$7,350,000
Land Donation	\$1
Accrued Interest	\$750,000
Deferred Developer Fee	\$5,038,110
Tax Credit Equity	\$19,785,356
TOTAL	\$49,863,002

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$46,867,252
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$60,927,427
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,427,651
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,113,119
Federal Tax Credit Factor:	\$0.81500

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: None.

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 25% 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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	0
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	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	120	110	119

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: 152.785%