

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

The project, 707 by Vintage, located at 707 Broadway in San Diego on a 1.04 acre site, requested and is being recommended for a reservation of \$4,155,834 in annual federal tax credits and \$24,000,000 of tax-exempt bond cap to finance the new construction & adaptive reuse of 200 units of housing, consisting of 198 restricted rental units and 2 unrestricted manager's units. The project will have 134 one-bedroom units, and 66 two-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The rehabilitation is expected to begin in March 2026 and be completed in November 2027. The project will be developed by Vintage Housing Development, Inc and will be located in Senate District 39 and Assembly District 77.

**Project Number** CA-25-828

**Project Name** 707 by Vintage  
Site Address: 707 Broadway  
San Diego , CA 92101  
County: San Diego  
Census Tract: 0053.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$4,155,834	\$0
Recommended:	\$4,155,834	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$24,000,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Vintage Housing Holdings, LLC  
Contact: Michael Gancar  
Address: 369 San Miguel Drive, Suite 135  
Newport Beach , CA 92660  
Phone: (949) 721-6775  
Email: mgancar@vintagehousing.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Anzel Galvan LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**  
General Partners / Principal Owners: Vintage Housing Holdings, LLC  
Hearthstone/PWC JV, LLC  
General Partner Type: Joint Venture  
Parent Companies: KW-VHH, LLC  
Hearthstone Housing Foundation  
Developer: Vintage Housing Development, Inc  
Investor/Consultant: R4 Capital LLC  
Management Agent: FPI Management Corporation

**Project Information**

Construction Type: New Construction & Adaptive Reuse  
 Total # Residential Buildings: 1  
 Total # of Units: 200  
 No. / % of Low Income Units: 198 100.00%  
 Average Targeted Affordability: 59.70%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Coastal Region  
 CDLAC Project Analyst: Sarah Lester  
 CTCAC Project Analyst: Marilynn Thao

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	20	10%
50% AMI:	20	10%
60% AMI:	121	61%
80% AMI*:	37	19%

\*CTCAC restricted only

**Unit Mix**

134	1-Bedroom Units
66	2-Bedroom Units
200	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
13 1 Bedroom	30%	\$930
13 1 Bedroom	50%	\$1,550
80 1 Bedroom	60%	\$1,860
26 1 Bedroom	80%	\$2,481
7 2 Bedrooms	30%	\$1,116
7 2 Bedrooms	50%	\$1,861
41 2 Bedrooms	60%	\$2,233
11 2 Bedrooms	80%	\$2,978
2 1 Bedroom	Manager's Unit	\$1,735

**Project Cost Summary at Application**

Land and Acquisition	\$21,000,000
Construction Costs	\$36,000,000
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$3,500,000
Soft Cost Contingency	\$125,000
Relocation	\$0
Architectural/Engineering	\$2,200,000
Const. Interest, Perm. Financing	\$8,111,053
Legal Fees	\$189,500
Reserves	\$1,104,837
Other Costs	\$7,550,398
Developer Fee	\$11,116,641
Commercial Costs	\$0
<b>Total</b>	<b>\$90,897,429</b>

**Residential**

Construction Cost Per Square Foot:	\$340
Per Unit Cost:	\$454,487
Estimated Hard Per Unit Cost:	\$156,009
True Cash Per Unit Cost*:	\$409,879
Bond Allocation Per Unit:	\$120,000
Bond Allocation Per Restricted Rental Unit:	\$149,068

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$24,000,000
Citibank: Recycled Tax-Exempt	\$7,300,000
Citibank: Taxable	\$40,241,426
Deferred Costs	\$1,104,837
Net Operating Income	\$3,809,858
Deferred Developer Fee	\$11,116,641
Tax Credit Equity	\$3,324,667

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$44,919,307
Net Operating Income	\$3,809,858
Deferred Developer Fee	\$8,921,592
Tax Credit Equity	\$33,246,672
<b>TOTAL</b>	<b>\$90,897,429</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$62,227,582
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$23,000,000
Applicable Fraction:	100.00%
Qualified Basis:	\$80,895,857
Qualified Basis (Acquisition):	\$23,000,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$3,235,834
Maximum Annual Federal Credit, Acquisition:	\$920,000
Total Maximum Annual Federal Credit:	\$4,155,834
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,116,641
Federal Tax Credit Factor:	\$0.80000

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**

This project will include the adaptive reuse of an existing highrise office building built in 1963 with 18 floors. Upon completion, the project will include a total of 200 LIHTC units consisting of 134 one-bedroom units and 66 two-bedroom units, with 2 of the one-bedroom units being manager's units.

**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).

<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	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
<b>Total Points</b>	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:** 222.426%