CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
September 1, 2026

Aero Drive Affordable Apartments, located at 8575 Aero Drive in San Diego on a 2.09 acre site, requested and is being recommended for a reservation of $4,224,305 in annual federal tax credits and $22,342,063 of tax-exempt bond cap to finance the new construction of 190 units of housing, consisting of 188 restricted rental units and 2 unrestricted manager's units. The project will have 95 two-bedroom units, and 95 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in February 2027 and be completed in June 2029. The project will be developed by Mirka Investment, LLC and will be located in Senate District 39 and Assembly District 78.

Project Number	CA-26-604

Project Name	Aero Drive Affordable Apartments
Site Address:	8575 Aero Drive San Diego, CA 92123
County:	San Diego
Census Tract:	92.01

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$4,224,305	$0
Recommended:	$4,224,305	$0

Tax-Exempt Bond Allocation

Recommended:	$22,342,063

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	Mirka Investments, LLC
Contact:	Kursat Misirlioglu
Address:	600 B Street Suite 300 San Diego, CA 92101
Phone:	(619) 599 3852
Email:	kursatm@irkainvest.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	KeyBank Real Estate Capital (KeyBank)

Development Team

General Partners / Principal Owners:	Mirka Aero Drive, LLC
General Partner Type:	Joint Venture
Parent Companies:	Mirka Investments, LLC
Developer:	Mirka Investment, LLC
Investor/Consultant:	WNC
Management Agent:	Hyder Company

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	3
Total # of Units:	190
No. / % of Low Income Units:	188 100.00%
Average Targeted Affordability:	59.79%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

Information

Housing Type:	Large Family
Geographic Area:	Coastal Region
State Ceiling Pool:	New Construction
Project Analyst:	Stefanie McDaniels

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	20	11%
50% AMI:	20	11%
60% AMI:	110	59%
80% AMI*:	38	20%

*CTCAC restricted only

Unit Mix

95	2-Bedroom Units
95	3-Bedroom Units
190	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
19	2 Bedrooms	80%	$2,978
54	2 Bedrooms	60%	$2,233
10	2 Bedrooms	50%	$1,861
10	2 Bedrooms	30%	$1,116
19	3 Bedrooms	80%	$3,441
56	3 Bedrooms	60%	$2,580
10	3 Bedrooms	50%	$2,150
10	3 Bedrooms	30%	$1,290
2	2 Bedrooms	Manager’s Unit	$118

Project Cost Summary at Application

Land and Acquisition	$897,911
Construction Costs	$51,526,152
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$2,613,453
Soft Cost Contingency	$499,391
Relocation	$0
Architectural/Engineering	$3,121,563
Const. Interest, Perm. Financing	$8,811,616
Legal Fees	$500,000
Reserves	$732,311
Other Costs	$5,964,540
Developer Fee	$10,597,026
Commercial Costs	$0
Total	**$85,263,963**

Residential

Construction Cost Per Square Foot:	$318
Per Unit Cost:	$448,758
Estimated Hard Per Unit Cost:	$258,569
True Cash Per Unit Cost*:	$409,242
Bond Allocation Per Unit:	$117,590
Bond Allocation Per Restricted Rental Unit:	$148,947

Construction Financing

Source	Amount
KeyBank: Tax-Exempt	$22,342,063
KeyBank: Taxable	$38,914,349
Deferred Costs	$2,137,017
Deferred Developer Fee	$7,508,054
Tax Credit Equity	$14,362,480

Permanent Financing

Source	Amount
KeyBank: Tax-Exempt	$22,342,063
KeyBank: Taxable	$19,507,648
Deferred Developer Fee	$7,508,054
Tax Credit Equity	$35,906,198
TOTAL	**$85,263,963**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$81,243,866
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$105,617,026
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$4,224,305
Approved Developer Fee (in Project Cost & Eligible Basis):	$10,597,026
Federal Tax Credit Factor:	$0.84999

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
The project's 3-month operating reserve is less than the amount required under regulation section 10327(c)(7)(B) by $348,759. Under regulation section 10327(a) initial application errors resulting in a shortage of sources up to the higher of $100,000 or 50% of the contingency line item shall be deemed covered by the contingency line item. However, at the submission of the next updated CTCAC application required by CTCAC, and all subsequent submissions to CTCAC, including the placed-in-service submission for the issuance of the IRS 8609 forms, the applicant must fund the 3-month operating reserve at a level that meets the requirement of regulation section 10327(c)(7)(B).

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 and the terms of the bond and tax credit award as presented in the application and summarized in this staff report. CTCAC will verify the project complied with all terms of the award at placed-in-service review.

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).

CA-26-604 / Aero Drive Affordable Apartments

Points System	Max. Possible Points		Points Requested	Points Awarded
	New Const.	Rehab.		
Acquisition/Rehabilitation Project Priorities	**0**	**20**	**0**	**0**
New Construction Density and Local Incentives	**10**	**0**	**10**	**10**
Project density is at least 100 bedrooms/net acre	10	0	10	10
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	20	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
Average targeted affordability is 45% below market comparables	10	10	10	10
General Partner & Management Company	**10**	**10**	**10**	**10**
General Partner Experience	7	7	7	7
Management Company Experience	3	3	3	3
Housing Needs	**10**	**0**	**10**	**10**
Readiness to Proceed	**10**	**10**	**10**	**10**
Access to Opportunity	**10**	**0**	**9**	**9**
10% @ 30% AMI, 10% @ 50% AMI	9	0	9	9
Service Amenities	**10**	**10**	**10**	**10**
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED				
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5	5
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5	5
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 50% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ½ mile of transit, service every 30 minutes in rush hours	5	5	5	5
Within ½ mile of public park or community center open to general public	3	3	3	3
Within ½ mile of public library	3	3	3	3
Within 1 mile of an adult education campus or community college	3	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3	0
Within ½ mile of a pharmacy	2	2	2	2
Total Points	**112**	**102**	**111**	**111**

Tie Breaker: 269.173%