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

The project, 1401 Imperial Apartments, located at 1401 Imperial Avenue in San Diego on a 0.23 acre site, requested $5,439,856 in annual federal tax credits but is being recommended for $4,665,765 in annual federal tax credits and $29,444,391 of tax-exempt bond cap to finance the new construction & adaptive reuse of 164 units of housing, consisting of 162 restricted rental units and 2 unrestricted manager's units. The project will have 108 studio units, 54 one-bedroom units, and 2 two-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The rehabilitation is expected to begin in January 2027 and be completed in January 2029. The project will be developed by S.V.D.P. Management, Inc. and will be located in Senate District 39 and Assembly District 77.

The project financing includes state funding from the Multifamily Housing Program (MHP) and Affordable Housing and Sustainable Communities (AHSC) program of HCD.

Project Number CA-26-612

Project Name 1401 Imperial Apartments

Site Address:	1401 Imperial Avenue San Diego, CA 92101
County:	San Diego
Census Tract:	51.03

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$5,439,856	$0
Recommended:	$4,665,765	$0

Tax-Exempt Bond Allocation

Recommended:	$29,444,391

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	1401 Imperial, LP
Contact:	Jodi Rothery
Address:	3350 E Street San Diego, CA 92102
Phone:	858-444-6915
Email:	jodi.rothery.c@neighbor.org

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	Citibank, N.A.

Development Team

General Partners / Principal Owners:	1401 Imperial, LLC
General Partner Type:	Nonprofit
Parent Company:	S.V.D.P. Management, Inc.
Developer:	S.V.D.P. Management, Inc.
Investor/Consultant:	Raymond James
Management Agent:	Royal Property Management Group, Inc.

Project Information

Construction Type:	New Construction & Adaptive Reuse	
Total # Residential Buildings:	1	
Total # of Units:	164	
No. / % of Low Income Units:	162	100.00%
Average Targeted Affordability:	50.00%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Non-Targeted
Geographic Area:	Coastal Region
State Ceiling Pool:	New Construction
Set Aside:	Extremely Low/Very Low Income Set Aside
Project Analyst:	DC Navarrette

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	42	26%
40% AMI:	3	2%
50% AMI:	30	19%
60% AMI:	87	54%

Unit Mix

108	SRO/Studio Units
54	1-Bedroom Units
2	2-Bedroom Units
164	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
23	SRO/Studio	30%	$868
19	1 Bedroom	30%	$930
2	SRO/Studio	40%	$1,158
1	1 Bedroom	40%	$1,240
21	SRO/Studio	50%	$1,447
9	1 Bedroom	50%	$1,550
62	SRO/Studio	60%	$1,737
25	1 Bedroom	60%	$1,860
2	2 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$7,935,000
Construction Costs	$63,706,000
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$3,185,300
Soft Cost Contingency	$173,216
Relocation	$0
Architectural/Engineering	$3,759,000
Const. Interest, Perm. Financing	$8,635,416
Legal Fees	$355,000
Reserves	$627,452
Other Costs	$2,764,488
Developer Fee	$11,744,478
Commercial Costs	$0
Total	**$102,885,350**

Residential

Construction Cost Per Square Foot:	$482
Per Unit Cost:	$627,350
Estimated Hard Per Unit Cost:	$339,329
True Cash Per Unit Cost*:	$569,649
Bond Allocation Per Unit:	$179,539
Bond Allocation Per Restricted Rental Unit:	$181,756

Construction Financing

Source	Amount
Citibank: Tax-Exempt	$26,866,396
Citibank: Recycled Tax-Exempt	$2,000,000
Citibank: Taxable	$45,529,411
City of San Diego	$2,900,000
Deferred Developer Fee	$9,462,986
General Partner Equity	$820,000
Tax Credit Equity	$15,306,557

Permanent Financing

Source	Amount
Citibank: Tax-Exempt	$9,944,834
City of San Diego	$2,900,000
HCD: AHSC	$35,000,000
HCD: MHP	$8,364,563
Deferred Developer Fee	$2,352,923
Developer Contribution	$7,110,063
General Partner Equity	$820,000
Tax Credit Equity	$36,392,967
TOTAL	**$102,885,350**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$90,041,000
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$117,053,300
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$4,665,765
Approved Developer Fee (in Project Cost & Eligible Basis):	$11,744,478
Federal Tax Credit Factor:	$0.78000

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 wil include the new construction of an 18-story building consisting of 162 LIHTC units and the adaptive reuse of an existing three-story commercial building that will be preserved and adaptively reused as the base of the new development.

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-26-612 / 1401 Imperial 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 is located in a "pro-housing" jurisdiction	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 33% 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. 84 hrs/yr instruction	7	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3	3
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 40% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ⅓ mile of transit, service every 30 min, 25 units/acre density	7	7	7	7
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	3
Within ½ mile of a pharmacy	2	2	2	2
Total Points	**112**	**102**	**111**	**111**

Tie Breaker: 158.934%