



# DEVELOPMENT SERVICES

## **Multifamily Housing Revenue Bonds Cordova Village & Trolley Terrace**

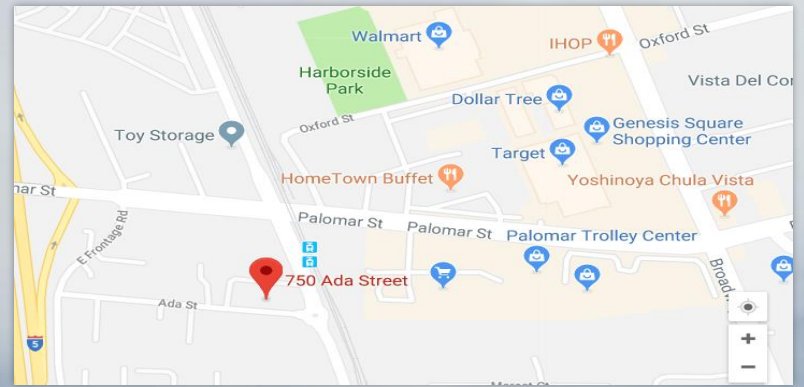
**May 15, 2018**



# Project

- Chula Vista Housing Authority be the bond issuer for a **maximum of \$8 million in tax-exempt private activity bonds** for a “scattered sites” project
  - **Cordova Village** in Rancho del Rey
  - **Trolley Terrace** in Southwest Chula Vista
- Bonds and 4% Tax Credits financing to acquire and rehabilitate the Project

# TROLLEY TERRACE



Site A

750 Ada Street  
Chula Vista, CA 91911



# TROLLEY TERRACE

- 18 units
  - 10 three-bdrm townhomes
  - 4 two-bdrm flats
  - 4 three-bdrm flats
- Affordable to families at 40% AMI
  - Rents at \$680-\$750
  - \$35,000 - 43,800 a year
- Built in 1999 *(nearly 20 years old)*



# CORDOVA VILLAGE



Site B      1280 E J Street  
Chula Vista, CA 91910

# CORDOVA VILLAGE

- 40 units
  - 16 two-bdrm
  - 15 three-bdrm
  - 4 three-bdrm flats
- Affordable to families at 50-60% AMI
  - Rents at \$860 - \$1,240
  - \$43,800 - 63,100 a year
- Built in 1998 *(20 years old)*
- Balanced Communities obligation for Rancho del Rey



The background of the slide is a photograph of a modern building with a covered walkway and trees. The building has a white facade and a dark roof. The walkway is covered by a series of wooden slats. There are trees and greenery around the building. The overall scene is bright and sunny.

# Project Benefits

- Given the age, Projects are in need of **comprehensive renovations** for long term use and viability
- **Preserve the affordability** by extending the affordability period for another 20 years (until 2073)



# REQUESTED ACTIONS

- **City Council conduct a public hearing and adopt Resolution A** approving the issuance of Multi-family Housing Revenue Bonds by the Housing Authority for Cordova Village/Trolley Terrace (the Projects)
- **Housing Authority adopt Resolution B** expressing its intent to issue tax exempt obligations for the Projects





# Proposed Rent Limits

Unit Description	No. of Units	Target Income Group		
		% of AMI	Annual Income	Proposed Rents
Cordova				
2 Bd/1 Ba	3	50%	\$43,800	\$ 864
2 Bd/1 Ba	13	60%	\$52,600	\$1,048
3 Bd/2 Ba	3	50%	\$48,650	\$ 954
3 Bd/2 Ba	12	60%	\$58,400	\$ 1,158
4 Bd/2 Ba	2	50%	\$52,550	\$ 1,016
4 Bd/2 Ba	6	60%	\$63,100	\$ 1,237
MGR	1	N/A	N/A	N/A
Subtotal	40			
Trolley Terrace				
2 Bd/1 Ba	4	40%	\$ 35,050	\$ 680
3 Bd/2 Ba	13	40%	\$43,800	\$ 749
MGR	1	N/A	N/A	N/A
Subtotal	18			
Total	58			



**TROLLEY/CORDOVA AFFORDABLE HOUSING**

58 Units

**PROFORMA SUBSIDY ANALYSIS**

	<b>Cost</b>	<b>Funds</b>	<b>Financing Gap</b>
<b><u>Project Cost:</u></b>			
Acquisition	\$7,093,057		
Structures & Site Improvements	\$1,944,056		
Design/Engineering	\$265,000		
Construction Contingency	\$300,560		
Permits & Fees	\$22,400		
Fees, Financing Costs	\$560,530		
Reserves, Legal, Audit	\$684,682		
Other	\$443,000		
Developer Fees	\$1,381,400		
Subtotal	\$12,694,685		
<b>Sources of Funds</b>			
Tax Credit Equity		3,332,715	
Permanent Loan		3,750,000	
Subtotal		\$ 7,082,715	\$ (5,611,970)
<b>Subsidies</b>			
Deferred Developer Fee		79,064	
Seller Carryback		2,001,154	
Project Reserves		513,057	
Project NOI		175,000	
Housing Authority Loan (LMIHAF)		695,668	
City Loan (HOME)		2,148,027	
Subtotal		\$ 5,611,970	
<b>TOTAL</b>	<b>\$ 12,694,685</b>	<b>\$ 12,694,685</b>	<b>\$ -</b>

## **TROLLEY/CORDOVA AFFORDABLE HOUSING**

58 Units

### **PROFORMA SUBSIDY ANALYSIS**

Project Dus	58	
Project Cost	\$ 12,694,685	
Cost per Unit	\$ 218,873.88	per unit
City/Housing Authority Subsidy per Unit	\$ 49,029	per unit
City HOME Subsidy per Unit @ 11 Units	\$ 195,275	per unit
Housing Authority Leveraging		\$1 to \$18
TOTAL City/HA Leveraging		\$1 to \$4
City HOME Leveraging		\$1 to \$6