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, 16th and J Affordable Apartments, located at 419-421 16th Street in San Diego on a 0.46 acre site, requested and is being recommended for a reservation of $3,462,652 in annual federal tax credits and $23,263,915 of tax-exempt bond cap to finance the new construction of 150 units of housing, consisting of 148 restricted rental units and 2 unrestricted manager's units. The project will have 58 one-bedroom units, 47 two-bedroom units, and 45 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 March 2027 and be completed in June 2029. The project will be developed by Mirka Investments, LLC and will be located in Senate District 39 and Assembly District 77.

Project Number CA-26-615

Project Name 16th and J Affordable Apartments

Site Address:	419-421 16th Street San Diego, CA 92101
County:	San Diego
Census Tract:	51.01

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$3,462,652	$0
Recommended:	$3,462,652	$0

Tax-Exempt Bond Allocation

Recommended:	$23,263,915

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@mirkainvest.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	KeyBank Community Development Lending

Development Team

General Partners / Principal Owners:	Mirka Investments, LLC
General Partner Type:	Joint Venture
Parent Company:	Mirka Investments, LLC
Developer:	Mirka Investments, LLC
Investor/Consultant:	The WNC & Associates
Management Agent:	Hyder Company

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	150	
No. / % of Low Income Units:	148	100.00%
Average Targeted Affordability:	59.73%	
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:	Anthony Wey

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	16	11%
50% AMI:	16	11%
60% AMI:	86	58%
80% AMI*:	30	20%

*CTCAC restricted only

Unit Mix

58	1-Bedroom Units
47	2-Bedroom Units
45	3-Bedroom Units
150	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
12	1 Bedroom	80%	$2,481
34	1 Bedroom	60%	$1,860
6	1 Bedroom	50%	$1,550
6	1 Bedroom	30%	$930
9	2 Bedrooms	80%	$2,978
26	2 Bedrooms	60%	$2,233
5	2 Bedrooms	50%	$1,861
5	2 Bedrooms	30%	$1,116
9	3 Bedrooms	80%	$3,441
26	3 Bedrooms	60%	$2,580
5	3 Bedrooms	50%	$2,150
5	3 Bedrooms	30%	$1,290
2	2 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$18,736,286
Construction Costs	$42,339,143
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$2,144,022
Soft Cost Contingency	$447,622
Relocation	$0
Architectural/Engineering	$2,323,563
Const. Interest, Perm. Financing	$8,145,493
Legal Fees	$520,000
Reserves	$630,204
Other Costs	$5,069,908
Developer Fee	$8,686,442
Commercial Costs	$0
Total	**$89,042,683**

Residential

Construction Cost Per Square Foot:	$345
Per Unit Cost:	$593,618
Estimated Hard Per Unit Cost:	$269,151
True Cash Per Unit Cost*:	$435,070
Bond Allocation Per Unit:	$155,093
Bond Allocation Per Restricted Rental Unit:	$197,152

Construction Financing

Source	Amount
Keybank: Tax-Exempt	$23,263,915
Keybank: Taxable	$26,187,510
Seller Carryback	$18,000,000
Deferred Costs	$1,820,546
Deferred Developer Fee	$5,782,189
Accrued Interest	$1,800,000
Tax Credit Equity	$12,188,523

Permanent Financing

Source	Amount
Keybank: Tax-Exempt	$23,263,915
Keybank: Taxable	$9,275,272
Seller Carryback	$18,000,000
Deferred Developer Fee	$5,782,189
Accrued Interest	$2,250,000
Tax Credit Equity	$30,471,307
TOTAL	**$89,042,683**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$66,596,054
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$86,574,870
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$3,462,652
Approved Developer Fee (in Project Cost & Eligible Basis):	$8,686,442
Federal Tax Credit Factor:	$0.88000

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: 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 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-26-615 / 16th and J 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 39% 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 42% 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 ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5	5
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: 228.093%