

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
August 5, 2025**

Hillcrest Hall, located at 1601 University Avenue in San Diego on a 0.43 acre site, requested and is being recommended for a reservation of \$2,713,558 in annual federal tax credits and \$12,000,000 in total state tax credits and \$26,250,000 of tax-exempt bond cap to finance the new construction of 98 units of housing, consisting of 97 restricted rental units and 1 unrestricted manager's unit. The project will have 35 one-bedroom units, 28 two-bedroom units, and 35 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in February 2026 and be completed in November 2027. The project will be developed by CRP Affordable Housing and Community Development LLC and will be located in Senate District 39 and Assembly District 78.

Project Number CA-25-599

Project Name Hillcrest Hall
Site Address: 1601 University Avenue
San Diego, CA 92103
County: San Diego
Census Tract: 0007.00

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,713,558	\$12,000,000
Recommended:	\$2,713,558	\$12,000,000

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Tax-Exempt Bond Allocation
Recommended: \$26,250,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Hillcrest Hall LP
Applicant for State Credits: BOLD Communities
Contact: Paul Salib
Address: 122 E 42nd Street, Suite 1903
New York, NY 10168
Phone: 212-776-1914
Email: psalib@crpaffordable.com

Bond Financing Information
CDLAC Applicant/Bond Issuer: San Diego Housing Commission
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Citibank, N.A.

Development Team

General Partners / Principal Owners:	BOLD Communities Hillcrest Hall AGP LLC E. Smith & Company, Inc.
General Partner Type:	Joint Venture
Parent Companies:	BOLD Communities CRP Affordable Housing and Community Development LLC E. Smith & Company, Inc.
Developer:	CRP Affordable Housing and Community Development LLC
Investor/Consultant:	CREA, LLC
Management Agent:	FPI Management Corporation

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	98	
No. / % of Low Income Units:	97	100.00%
Average Targeted Affordability:	57.42%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Large Family
Geographic Area:	Coastal Region
State Ceiling Pool:	BIPOC
CDLAC Project Analyst:	Anthony Wey
CTCAC Project Analyst:	Jacob Paixao

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	15	15%
50% AMI:	11	11%
60% AMI:	40	41%
70% AMI*:	31	32%

*CTCAC restricted only

Unit Mix

35	1-Bedroom Units
28	2-Bedroom Units
35	3-Bedroom Units
98	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 1 Bedroom	70%	\$2,170
20 1 Bedroom	60%	\$1,860
4 1 Bedroom	50%	\$1,550
7 1 Bedroom	30%	\$930
11 2 Bedrooms	70%	\$2,605
10 2 Bedrooms	60%	\$2,233
3 2 Bedrooms	50%	\$1,861
4 2 Bedrooms	30%	\$1,116
16 3 Bedrooms	70%	\$3,010
10 3 Bedrooms	60%	\$2,580
4 3 Bedrooms	50%	\$2,150
4 3 Bedrooms	30%	\$1,290
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$600,000
Construction Costs	\$33,554,999
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,707,750
Soft Cost Contingency	\$476,774
Relocation	\$0
Architectural/Engineering	\$2,010,000
Const. Interest, Perm. Financing	\$5,399,800
Legal Fees	\$325,000
Reserves	\$1,063,963
Other Costs	\$4,031,224
Developer Fee	\$6,800,000
Commercial Costs	\$0
Total	\$55,969,510

Residential

Construction Cost Per Square Foot:	\$445
Per Unit Cost:	\$571,117
Estimated Hard Per Unit Cost:	\$296,704
True Cash Per Unit Cost*:	\$530,546
Bond Allocation Per Unit:	\$267,857
Bond Allocation Per Restricted Rental Unit:	\$397,727

Construction Financing

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$26,250,000
Citibank: Taxable	\$8,632,472
SDHC ¹	\$5,000,000
COSD ² : Bridge To Home	\$3,175,000
Safehold, Inc.	\$100,000
Deferred Costs	\$7,949,395
Tax Credit Equity	\$4,862,643

Permanent Financing

<u>Source</u>	<u>Amount</u>
Citibank: Taxable	\$11,300,855
SDHC ¹	\$5,000,000
COSD ² : Bridge To Home	\$3,175,000
Safehold, Inc.	\$100,000
Deferred Developer Fee	\$3,976,032
Tax Credit Equity	\$32,417,623
TOTAL	\$55,969,510

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

¹San Diego Housing Commission

²City of San Diego

Determination of Credit Amount(s)

Requested Eligible Basis:	\$52,183,811
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$67,838,954
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,713,558
Total State Credit:	\$12,000,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,800,000
Federal Tax Credit Factor:	\$0.80992
State Tax Credit Factor:	\$0.87000

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

Pursuant to CTCAC Regulation Section 10326(g)(5), general partners and management companies lacking documented experience with Section 42 requirements using the minimum scoring standards at Section 10325(c)(2)(A) and (B) shall be required to complete training as prescribed by CTCAC prior to a project’s placing in service.

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 50% 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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
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	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	120	110	120

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: 93.365%