

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2026 Second Round

October 6, 2026

Market Street Apartments, located at 4588 Market Street in San Diego, requested and is being recommended for a reservation of \$2,800,000 in annual federal tax credits and \$9,333,334 in total state tax credits to finance the new construction of 137 units of housing serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). The project will be developed by Affirmed Housing Group, Inc. and will be located in Senate District 39 and Assembly District 79.

Project Number CA-26-101

Project Name Market Street Apartments
Site Address: 4588 Market Street
San Diego, CA 92102
County: San Diego
Census Tract: 0034.04

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,800,000	\$9,333,334
Recommended:	\$2,800,000	\$9,333,334

Applicant Information

Applicant: Market Street Senior Housing, L.P.
Applicant for State Credits: Market Street Senior Housing, L.P.
Contact: James Silverwood
Address: 11673 George Cooke Express Drive
San Diego, CA 92127
Phone: 858-679-2828
Email: james@affirmedhousing.com

General Partners / Principal Owners: AHG Market Street, LLC
CFAH Housing, LLC
General Partner Type: Joint Venture
Parent Companies: Affirmed Housing Group, Inc.
Compass for Affordable Housing
Developer: Affirmed Housing Group, Inc.
Investor/Consultant: WNC, Inc.
Management Agents: Solari Enterprises, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 138
No. & % of Tax Credit Units: 137 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None.

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: San Diego County
CTCAC Project Analyst: Rachel Bursk

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percent of Required Affordable Units
At or Below 30% AMI:	42	30%
At or Below 40% AMI:	5	0%
At or Below 50% AMI:	23	15%
At or Below 60% AMI:	67	45%

Unit Mix

137	1-Bedroom Units
1	2-Bedroom Units
138	Total Units

Unit Type & Number	2026 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
42 1 Bedroom	30%	\$984
5 1 Bedroom	40%	\$1,312
23 1 Bedroom	50%	\$1,640
67 1 Bedroom	60%	\$1,968
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$10,170,000
Construction Costs	\$43,195,019
Rehabilitation Costs	\$0
Construction Contingency	\$3,165,718
Relocation	\$0
Architectural/Engineering	\$1,973,800
Const. Interest, Perm. Financing	\$4,757,767
Legal Fees	\$332,400
Reserves	\$670,000
Other Costs	\$4,021,748
Developer Fee	\$2,500,000
Commercial Costs	\$341,132
Total	\$71,127,584

Residential

Construction Cost Per Square Foot:	\$499
Per Unit Cost:	\$512,945
True Cash Per Unit Cost*:	\$425,180

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank	\$36,942,779	Citibank	\$14,474,271
City of San Diego: LMIHAF ¹	\$3,918,425	City of San Diego: LMIHAF ¹	\$5,000,000
County of SD ² : Donated Land	\$10,170,000	County of SD ² : Donated Land	\$10,170,000
County of SD ² : IHTF ³	\$1,800,000	County of SD ² : IHTF ³	\$2,600,000
San Diego Housing Commission	\$3,800,000	San Diego Housing Commission	\$4,000,000
Deferred Costs	\$3,394,518	Deferred Developer Fee	\$2,000,000
Tax Credit Equity	\$11,101,862	Tax Credit Equity	\$32,883,313
		TOTAL	\$71,127,584

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

¹Low-Moderate Income Housing Asset Fund

²County of San Diego

³Innovative Housing Trust Fund

Determination of Credit Amount(s)

Requested Eligible Basis:	\$31,111,115
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$31,111,115
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,800,000
Total State Credit:	\$9,333,334
Federal Tax Credit Factor:	\$0.88110
State Tax Credit Factor:	\$0.87991

The "as if vacant" land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	Seniors
Self-Score Final:	72.099%
CTCAC Final:	72.099%

Significant Information / Additional Conditions

The project will restrict 35 Low-Income Units (26% of the Low-Income Units) to serve Special Needs Population(s), as defined in CTCAC Regulation Section 10302(kkk).

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, San Diego Housing Commission, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/8 mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within 1/2 mile of public park or community center open to general public	3	3	0
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of an adult education campus or community college	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AML or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Utilizing Excess State-Owned Land or Local Surplus Land	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.