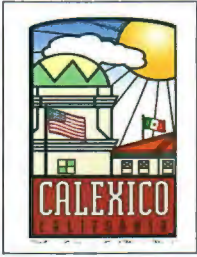


**AGENDA
ITEM**

18



CITY OF CALEXICO

AGENDA STAFF REPORT

DATE: May 17, 2023
TO: Mayor and City Council
APPROVED BY: Esperanza Colio Warren, City Manager
PREPARED BY: Esperanza Colio Warren, City Manager

SUBJECT: Discussion/Action Regarding a Request from Chelsea Investment Corporation for an Impact Fee Deferral Loan in the Amount of \$305,460 Related to the Development of Remington Villas; a 60-unit, Affordable Housing Development

=====

Discussion/Action regarding a request from Chelsea Investment Corporation for an Impact Fee Deferral Loan in the amount of \$305,460 related to the development of Remington Villas; a 60-unit, affordable housing development.

Background:

On May 03, 2023, Chelsea Investment Corporation (“CIC”) submitted to the City of Calexico a request for financial assistance in the form of an Impact Fee Deferral Loan for a 60-unit, 100% affordable housing development, known as Remington Villas (the “Project”). The Project has 2- and 3-bedroom apartment units designed to meet the needs of families. The requested assistance would be structured as a soft loan from the City of Calexico to help facilitate the financing, development, and construction of the Project, which will provide much needed housing for families with incomes ranging from 30% to 50% of the Area Median Income (“AMI”).

As described in the attached letter, Remington Villas will be the first phase of three, 100% affordable housing developments located on the south side of SR-98 along Sheridan Road. A total of \$3.18M has been secured in Infill Infrastructure Grant (IIG) Funds to construct off-site improvements, including: widening of SR-98, improvements and connection of Sheridan Street and McKinley Street, intersection improvements and replacement of split signal phasing; a public park, and other improvements.

The Project has received a TCAC 9% tax credit award and is expected to close in June 2023. However, due to rising interest rates, continued supply chain disruption, Construction cost increases, and lack of other funding sources available, the Project is bordering on being infeasible. A

**AGENDA
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financial contribution from the City in the form of an Impact Fee Deferral Loan will help offset some of these outside economic forces, render the Project feasible and not jeopardize returning the \$3.18M in committed IIG funds.

Discussion & Analysis:

If the Impact Fee Deferral Loan in the amount of \$305,460 is approved by the city, the Loan would be structured as a soft loan, which is expected to be paid back out of excess cash flow generated by the Project. The Loan would be secured by a Promissory Note and Deed of Trust, bearing simple interest at 3%, with an 18-year term and an option to extend the term.

At the request of the city council during the meeting on May 3, 2023, the following information was provided for discussion:

1. Request to Calexico Unified School District for a Fee Deferral Loan ("Loan") in the amount of \$305,460.00 (Email correspondence attached).
2. Project Benefits to the City (Email correspondence attached).

Fiscal Impact:

The current city's financial situation makes it difficult to defer impact fees for any development. The State Auditor's Report clearly addresses the financial struggles the city is facing and recommends being more careful regarding the recovery of development and impact fees.

Coordinated With:

City Manager's Office.

Attachment(s):

1. Letter from Chelsea Investment Corporation.
2. Email correspondence: Request to Calexico Unified School District for a Fee Deferral Loan.
3. Email correspondence: Project Benefits to the City.
4. Project proforma.

1



**Finance
Development
Management**

6339 Paseo del Lago
Carlsbad, CA 92011
Tel (760) 456-6000
Fax (760) 456-6001
www.chelseainvestco.com

May 3, 2023

Esperanza Colio Warren, City Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

via email: ecolio@calexico.ca.gov

RE: Impact Fee Deferral Loan Request - Remington Villas Affordable Apartments

Dear Ms. Colio Warren:

Chelsea Investment Corporation ("CIC") respectfully requests financial assistance in the form of an Impact Fee Deferral Loan for its 60-unit, 100% affordable housing development, Remington Villas (the "Project"). This assistance would be structured as a soft loan from the City of Calexico to help facilitate the financing, development, and construction of the Project, which will provide much needed housing for families with incomes ranging from 30% to 50% of the Area Median Income ("AMI").

At the City Council meeting on April 20, 2023, Chelsea requested an Impact Fee Deferral loan in the amount of \$455,460. Chelsea has refined the Project underwriting and is now requesting a **\$305,460 loan, reducing the request by \$150K.**

Remington Villas will be the first phase of three, 100% affordable housing developments located on the south side of SR-98 along Sheridan Road. \$3.18M in IIG Funds have been secured to construct many offsite improvements, including: widening of SR-98, including intersection improvements and replacement of split signal phasing; a public park; improvement and connection of Sheridan Street and McKinley Street and other improvements.

The Project has a majority of 2- and 3-bedroom apartment units designed to meet the needs of families. Additionally, to encourage a sense of community and provide resident services, the Project has an on-site community building with gathering space, computer lab, bathrooms, kitchen, management offices and laundry facilities. On-site services, free of charge to the residents, include adult educational and skill building classes as well as an after-school program.

The Project will have Plan Check, Building Permit, Inspection, and Impact Fees totaling **\$856,253**. The Project has received a TCAC 9% tax credit award and is planning on closing in June 2023. Due to rising interest rates, continued supply chain disruption, hard cost escalation and lack of other funding sources available, the Project is bordering on being infeasible. A financial contribution from the City in the form of an Impact Fee Deferral Loan will help offset some of these outside economic forces, render the Project feasible and not jeopardize returning the \$3.18M in committed IIG funds.

May 3, 2023

Page 2

Although the total Fees for the Project equal \$856,253, we are requesting an Impact Fee Deferral Loan ("Loan") in the amount of **\$305,460**. (see attached chart as to the breakdown of fees to be paid and fees to be deferred). The Loan would be structured as a soft loan, to be paid back out of excess cash flow generated by the Project. The Loan would be secured by a Promissory Note and Deed of Trust, bearing simple interest at 3%, with an 18-year term and an option to extend the term.

We respectfully request the City of Calexico to invest in the Remington Villas project. This investment will assist us in providing 60 affordable homes to low-income families and will kickstart the first of three phases, a total build-out of 180 affordable homes.

Thank you for consideration of our request. Please contact me with questions, (619) 246-5336.

Very truly yours,

2023.05.03

Heidi W. Mather 12:04:50
-07'00'

Heidi W. Mather

Director of Development

hmather@chelseainvestco.com

Attachment

Project: Remington Villas, Phase 1

5/3/2023

Building Permit and Building Impact Fees, City of Calexico

	Per Unit	# Units	% Deferred	Amount Deferred	Amount Paid
Building Plan Check and Inspection					
		60			60
Building Plan Check / Inspection A-1	\$ 5,558		0%	\$ -	\$ 5,558
Building Plan Check / Inspection A-2	\$ 5,558		0%	\$ -	\$ 5,558
Building Plan Check / Inspection B	\$ 4,347		0%	\$ -	\$ 4,347
Building Plan Check / Inspection CR	\$ 4,347		0%	\$ -	\$ 4,347
Total Building Plan Check and Inspection		\$ 19,809		\$ -	\$ 19,809
Building Permit Fees					
Building Permit A-1	\$ 12,955		0%	\$ -	\$ 12,955
Building Permit A-2	\$ 12,955		0%	\$ -	\$ 12,955
Building Permit B	\$ 9,928		0%	\$ -	\$ 9,928
Building Permit Community Room	\$ 5,366		0%	\$ -	\$ 5,366
Total Building Permit Fees		\$ 41,204		\$ -	\$ 41,204
Impact Fees					
Sewer Connection Fee	\$ 2,478	\$ 148,680	0%	\$ -	\$ 148,680
Water Connection Fee	\$ 3,185	\$ 191,100	0%	\$ -	\$ 191,100
Fair Share SR-98 Improvements	\$ 2,500	\$ 150,000	0%	\$ -	\$ 150,000
Park & Recreation Fee	\$ 1,303	\$ 78,180	100%	\$ 78,180	\$ -
Traffic Impact Fee	\$ 963	\$ 57,780	100%	\$ 57,780	\$ -
Fire Mitigation Fee	\$ 612	\$ 36,720	100%	\$ 36,720	\$ -
Sheriff or Police Fee	\$ 588	\$ 35,280	100%	\$ 35,280	\$ -
Library Fee	\$ 658	\$ 39,480	100%	\$ 39,480	\$ -
Art in Public Places	\$ 500	\$ 30,000	100%	\$ 30,000	\$ -
Corporate Fee	\$ 393	\$ 23,580	100%	\$ 23,580	\$ -
Administration Fee	\$ 74	\$ 4,440	100%	\$ 4,440	\$ -
Total Impact Fees		\$ 795,240		\$305,460	\$ 489,780
Grand Total Building Plan Check, Inspection and Impact Fees		\$ 856,253		\$305,460	\$ 550,793

Previous request - 4/20/23

\$ 455,460

This Request - 5/3/23

\$ 305,460

Variance

\$ (150,000)

From: Scott Schiffer <Sschiffer@chelseainvestco.com>
Sent: Tuesday, May 2, 2023 4:47 PM
To: AJimenez@cusdk12.org
Cc: Raul Urena; Esperanza Colio; Gloria Romo; Alex Merson; Alex Lee; Heidi W. Mather; Shannon Vanderhei; Dave Davis
Subject: Fee Deferral Loan Request - Remington Villas
Attachments: Remington Villas Presentation.pdf

Dear Mr. Jimenez:

My name is Scott Schiffer, I'm the project manager for our 100% affordable housing project in Calexico, known as Remington Villas, and I'm reaching out regarding a fee deferral request for our project. I spoke with Mayor Raul Urena earlier today about this matter and he suggested that I reach out you regarding our request for financial assistance in the form of a fee deferral loan for our Remington Villas project – a 60-unit, 100% affordable housing development.

This assistance would be structured as a soft loan to help facilitate the financing, development, and construction of the Project, which will provide much needed housing for families with incomes ranging from 30% to 50% of the Area Median Income ("AMI"). Remington Villas will be the first phase of three, 100% affordable housing developments located on the south side of SR-98 along Sheridan Road.

The Project has a majority of 2- and 3-bedroom apartment units designed to meet the needs of families. Additionally, to encourage a sense of community and provide resident services, the Project has an on-site community building with gathering space, computer lab, bathrooms, kitchen, management offices and laundry facilities. On-site services, free of charge to the residents, include adult educational and skill building classes as well as an after-school program.

The Project will have Calexico Unified School District Fees totaling \$474,948. The Project has received a TCAC 9% tax credit award and is planning on closing in June 2023. Due to rising interest rates, continued supply chain disruption, hard cost escalation and lack of other funding sources available, the Project is bordering on being infeasible. A financial contribution in the form of a Fee Deferral Loan will help offset some of these outside economic forces, render the Project feasible and not jeopardize returning our award of \$3.18M in committed IIG funds.

Although the total Calexico Unified School District Fees totaling \$474,948, we are requesting a **Fee Deferral Loan ("Loan") in the amount of \$305,460**. The Loan would be structured as a soft loan, to be paid back out of excess cash flow generated by the Project. The Loan would be secured by a Promissory Note and Deed of Trust, bearing simple interest at 3%, with an 18-year term and an option to extend the term.

This investment will assist us in providing 60 affordable homes to low-income families and will kickstart the first of three phases, a total build-out of 180 affordable homes.

I look forward to hearing from you and please let me know if you have any questions.

Kind regards,

Scott Schiffer
Development Associate
P: 760.795.5616
C: 858.243.7251
sschiffer@chelseainvestco.com



Esperanza Colio

From: Scott Schiffer <Sschiffer@chelseainvestco.com>
Sent: Wednesday, May 10, 2023 5:34 PM
To: Jimenez, Arturo; Raul Urena
Cc: Alex Merson; Alex Lee; Heidi W. Mather; Dave Davis; Shannon Vanderhei; Esperanza Colio; Gloria Romo
Subject: RE: Fee Deferral Loan Request - Remington Villas

Hi Arturo and Raul,

I hope you're both doing well! I wanted to follow up with you regarding our conversation last week about the Fee Deferral Loan Request for our Remington Villas project and thought it would be helpful if I provided you with a little more detail regarding the project benefits as well as the mechanics of the loan. Please see below and let me know if you have any questions.

Project Benefits to the City

1. **\$4,721,170** = Value of the improvements that directly benefit the City, which include the following:
 - a. Improvements to Sheridan Street and Construction of McKinley Street = \$2.7M
 - Includes construction of curb, gutter and sidewalk as well as landscaping, asphalt paving and striping
 - Includes connection of Sheridan Street from Eady Street to Adler Street
 - Includes a twenty (20') foot drainage and landscaping buffer
 - b. Construction of a Public Park and retention basin with a tot lot, walking/jogging path, landscaping, irrigation and fencing = \$599,691
 - c. Widening of Highway 98, including intersection improvements and replacement of split signal phasing = \$1,424,270
 - Includes concrete/flatwork (curb, gutter and sidewalk), asphalt paving and striping, and new signage.

City Improvements	Value
Improvements to Sheridan & Construction of McKinley	\$2,697,209
Public Park & Retention Basin	\$599,691
Highway 98 Improvements	\$1,424,270
Total	\$4,721,170

2. **Phase I – Remington Villas**
 - a. 60 units of 100% affordable housing
 - b. Dedicated to farmworkers and families with area median incomes (AMIs) ranging from 30% to 50%
 - c. 29 units dedicated to farmworkers meeting Joe Serna Grant requirements
3. **Phase II**
 - a. 60 units of 100% affordable housing
 - b. Full Fee payment – estimated to be between \$800K to \$1M (in 2023 dollars)
4. **Phase III**
 - a. 60 units of 100% affordable housing
 - b. Full Fee payment – estimated to be between \$800K to \$1M (in 2023 dollars)

Mechanics of the Fee Deferral Request

1. A majority of the Development Impact Fees (“Fees”) for the Remington Villas project will be paid to the City.
 - a. We estimate the total amount of Fees to be **\$856,253** and we would be paying the City **\$550,793** of the total, up-front when securing the Building Permit, if we were to receive a Fee Deferral Loan (“Loan”) from the City.
2. We are not asking the City to give us money, what we are asking for is to temporarily defer a small portion of the Fees – in the amount of **\$305,460** (35% of the City fees and 1% of the total development cost) – that are owed to the City and to pay those fees back at a later date. The repayment terms would be as follows:
 - a. Structured as a soft loan
 - b. Paid back out of excess cash flow generated by the Project
 - i. If there is excess cash flow, then annual payments will be made to the City
 1. Because of low AMI levels, we do not expect loan pay-down
 - ii. If there is not excess cash flow, then a balloon payment will be made to the City in year 18 in the amount of **\$452,081 (includes accrued interest)**
 - c. Bearing simple interest at 3%
 - d. 18-year term
 - i. The 18-year term was determined as the earliest date that this project would be able to be refinanced and have proceeds to pay off the Loan.
 - ii. This affordable farmworker housing project is financed with Low Income Housing Tax Credits which requires a 15-year compliance period after the project is Placed in Service (TCO). After that period, in year 16 (which equates to year 18 from closing), we would be able to refinance the project.
 - iii. Construction, lease-up and the stabilization of operations at Remington Villas is anticipated to take 2 years and so we have determined that an 18-year term would be needed for the loan.
3. Repayment: whether there are annual payments through excess cash flow or there is one balloon payment, Chelsea will be obligated to pay back the deferred fees to the City due to the Loan being secured by a Promissory Note and Deed of Trust.
 - a. **Promissory Note**
 - i. A promissory note is a financial instrument that contains a written promise by one party (the note's issuer or maker) to pay another party (the note's payee) a definite sum of money, either on demand or at a specified future date.
 - ii. A promissory note typically contains all the terms pertaining to the indebtedness, such as the principal amount, interest rate, maturity date, date and place of issuance, and issuer's signature.
 - iii. A promissory note includes a promise to pay on demand or at a specified future date, and steps required for repayment.
 - b. **Deed of Trust**
 - i. A deed of trust is a document used in real estate transactions. It represents an agreement between the borrower and a lender to have the property held in trust by a neutral and independent third party until the loan is paid off.
 - ii. During a real estate transaction, a lender (in this case the City) gives the borrower (in this case the affordable housing partnership) money in exchange for one or more promissory notes linked to a deed of trust.

Kind regards,
Scott

PROJECT SUMMARY

Revision Date: 4/27/2023
REMINGTON VILLAS
 240 West Highway 98, Calexico, CA 92231
 Calexico
 Imperial County

Preliminary Projections, Subject to Revision



DEVELOPMENT COSTS & SOURCES

Development Costs:		
Land (including existing improvements)	\$1,452/unit	87,100
Direct Construction Costs (inc Contingency)	\$362,434/unit	21,746,069
Development Impact Fees	\$31,447/unit	1,886,801
A&E	\$15,943/unit	956,600
Financing Fees and Interest	\$45,303/unit	2,718,188
Developer Fee	\$36,667/unit	2,200,000
Other Soft Costs	\$18,614/unit	1,116,825
Total Development Costs	\$511,860/unit	30,711,582
Sources:		
Federal LIHTC Equity	\$290,031/unit	17,401,840
State LIHTC / Solar / Other Tax Credit Equity	\$0/unit	0
Permanent Loans	\$30,333/unit	1,820,000
Priority Deferred Developer Fee	\$15,332/unit	919,891
Acquisition Value Loan	\$0/unit	0
Subordinate Deferred Developer Fee	\$0/unit	0
Private Placement Junior Bond	\$0/unit	0
Soft Local	\$5,091/unit	305,460
Soft State	\$171,073/unit	10,264,392
Soft Loan Interest	\$0/unit	0
Other	\$0/unit	0
Total Sources	\$511,860/unit	30,711,582

DEAL STRUCTURE AND ASSUMPTIONS

LIHTC Tax Credit Rate	9.00%
10 Yr Federal Tax Credits	20,742,070
State Tax Credit Total	0
Federal Tax Credit Price	\$ 0.8650
State Tax Credit Price	\$ -
Other Tax Credit Price	\$ -
DDA/QCT Boost	N
Opr. Exp./Unit/Year	4,830
Replacement Reserves/Unit/Year	500
Vacancy Rate	5.00%
DCR	1.20
Perm Loan Amort	35
Interest Rate - Permanent Loan	6.44%
Interest Rate - Construction Loan	8.15%
TIEBREAKER	48.62%
Total Construction Loan	16,314,946
Tax- Exempt Bonds - Construction	0
Tax- Exempt Bonds - Construction/Perm	0
50% Test	54.03%
Prevailing Wage:	None

PROJECT UNIT & INCOME MIX

AMI	Studio	1BR	2BR	3BR	4BR	Totals
	0.00%	0.00%	100.00%	0.00%	0.00%	
Net SF	500	744	854	1,087	1,250	
100%	0	0	0	0	0	0
80%	0	0	0	0	0	0
70%	0	0	0	0	0	0
60%	0	0	0	0	0	0
50%	0	0	17	18	0	35
40%	0	0	6	6	0	12
30%	0	0	6	6	0	12
Mgr.	0	0	1	0	0	1
Totals	0	0	30	30	0	60

PROJECT TIMING AND CREDIT DELIVERY

Tax Credit Allocation	December-22
Construction Begin - Initial Closing	June-23
Construction Complete	December-24
Buildings CofO 9/2024	December-24
Lease Up Complete	November-24
Conversion/Stabilization	March-25
8609	September-25
Estimated 1st Year Credit Delivery	502,943
Estimated 2nd Year Credit Delivery	2,011,773
Estimated 3rd Year Credit Delivery	2,011,773

PROJECTED SOURCES AND USES OF FUNDS
REMINGTON VILLAS
 4/27/2023

	Pre-Dev	Close	Construction Period						Construction Subtotal	Stabilization 6 months	Conversion	8609	Total
			Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6					
89 CONSTRUCTION PERIOD EXPENSES			10.0%	20.0%	25.0%	25.0%	10.0%	10.0%					
70 Construction Loan Interest	0	-	68,649	119,148	186,065	266,000	328,037	330,968	1,296,847	504,585	-	-	1,801,432
73 Predevelopment Loan Interest	0	176,378	-	-	-	-	-	-	176,378	-	-	-	176,378
74 Origination/Application Fee	0	114,205	-	-	-	-	-	-	114,205	-	-	-	114,205
75 Subordinate/Soft Debt Origination Fee	0	-	-	-	-	-	-	-	-	-	-	-	-
78 Lender Reports and Inspections	0	25,000	2,700	5,400	6,750	6,750	2,700	2,700	62,000	-	-	-	62,000
77 Title/Recording/Taxes	0	40,000	250	500	625	625	250	250	42,500	-	-	-	42,500
78 Insurance During Construction	0	343,168	-	-	-	-	-	-	343,168	-	-	-	343,168
79 Construction Mgmt and Monitoring	0	-	-	-	-	-	-	-	-	-	-	-	-
80 Owner Requirements	0	-	-	-	-	-	-	-	-	-	-	-	-
81 Other	0	-	-	-	-	-	-	-	-	-	-	-	-
82 Total Construction Period Expense	-	698,760	71,699	126,048	193,440	273,456	328,987	333,918	2,026,196	604,686	-	-	2,629,782
83													
84 PERMANENT FINANCING EXPENSES													
85 Loan Origination Fees	0	15,470	-	-	-	-	-	-	15,470	-	-	-	15,470
86 Title/Recording/Taxes	0	-	-	-	-	-	-	-	-	5,000	-	-	5,000
87 Insurance	0	-	-	-	-	-	-	-	-	-	-	-	-
88 Other: Bond/Issuer/IFA fees	0	-	-	-	-	-	-	-	-	-	-	-	-
89 Other: LHFC fees	187,936	-	-	-	-	-	-	-	-	-	-	-	187,936
90 Total Permanent Financing	187,936	15,470	-	-	-	-	-	-	163,406	-	5,000	-	188,406
91													
92 LEGAL FEES													
93 Lender Legal	0	60,000	-	-	-	-	-	-	60,000	-	15,000	-	75,000
94 Sponsor Legal	74,000	100,000	-	-	-	-	-	-	174,000	-	-	-	174,000
95 Total Legal Fees	74,000	160,000	-	-	-	-	-	-	234,000	-	15,000	-	249,000
96													
97 CAPITALIZED RESERVES													
98 Operating Reserve	3 months	-	-	-	-	-	-	-	-	-	122,822	-	122,822
99 Transition Reserve		-	-	-	-	-	-	-	-	-	-	-	-
100 Other Reserve		-	-	-	-	-	-	-	-	-	-	-	-
101 Total Reserves	-	-	-	-	-	-	-	-	-	-	122,822	-	122,822
102													
103 REPORTS & STUDIES													
104 Market Study		-	-	-	-	-	-	-	-	-	-	-	-
105 Appraisal	7,260	-	-	-	-	-	-	-	7,260	-	-	-	7,260
106 Environmental	53,120	-	-	-	-	-	-	-	53,120	-	-	-	53,120
107 Preconstruction Studies	16,500	-	-	-	-	-	-	-	16,500	-	-	-	16,500
108 Other		-	-	-	-	-	-	-	-	-	-	-	-
109 Total Reports & Studies	76,870	-	-	-	-	-	-	-	76,870	-	-	-	76,870
110													
111 OTHER													
112 Local Permit Fees	\$10,027/unit	56,000	545,813	-	-	-	-	-	601,813	-	-	-	601,813
113 Local Development Impact Fees	\$21,420/unit	0	1,285,188	-	-	-	-	-	1,285,188	-	-	-	1,285,188
114 Accounting/Reinsurable/Cost Certification		15,000	500	1,000	1,250	1,250	500	500	35,000	27,500	-	-	62,500
115 Financial Consulting/App Prep/Review (SA)		0	100,000	-	-	-	-	-	100,000	-	-	-	100,000
116 Entitlement Services and CM (SA)		0	100,000	9,000	18,000	22,500	22,500	9,000	180,000	-	-	-	180,000
117 Tenant File Review		0	-	-	-	-	-	-	-	-	-	-	-
118 GP Service Fee		0	25,000	-	-	-	-	-	25,000	-	-	-	25,000
119 Marketing & Lease Up		0	5,000	-	-	-	-	-	5,000	65,000	-	-	70,000
120 Prevailing Wage / Labor Compliance		0	-	-	-	-	-	-	-	-	-	-	-
121 FF&E		0	-	-	-	-	25,000	-	25,000	-	-	-	25,000
122 Other:		0	-	-	-	-	-	-	-	-	-	-	-
123 Total Other Costs	71,000	2,075,801	9,500	19,000	23,750	23,750	34,500	9,500	2,266,801	92,500	-	-	2,369,301
124													
125 DEVELOPER COSTS													
126 Developer Fee		384,033	-	-	-	-	-	-	384,033	258,022	1,459,845	100,000	2,200,000
127 Other		-	-	-	-	-	-	-	-	-	-	-	-
128 Total Developer Costs	-	384,033	-	-	-	-	-	-	384,033	258,022	1,459,845	100,000	2,200,000
129													
130													
131 Total Uses of Funds	1,055,684	4,497,740	2,184,776	4,370,858	5,501,818	5,584,232	2,485,636	2,464,965	28,156,708	853,107	1,602,767	100,000	30,711,682

Detailed Operating Budget and Income Analysis

Year	2022
MSA	Imperial County
4 Person 50% AMI	\$38,950

Expenses Source	ConAM budget
UA source	CUAC
Other	

default 40% AMI
(use 30% AMI for SN)

RA Contract	Restriction	%AMI	Units	Square Feet/Unit	Total Sq. Ft.	Gross Rents	Rent Adjustment	Utility Allowance	Monthly Net Rent	Annual Rent
0BR/1BA	MKT	100%	0	500	0	\$ -	\$ -	\$ -	\$ -	\$ -
0BR/1BA	LIHTC	80%	0	500	0	\$ 1,090	\$ -	\$ -	\$ 1,090	\$ -
0BR/1BA	LIHTC	70%	0	500	0	\$ 953	\$ -	\$ -	\$ 953	\$ -
0BR/1BA	LIHTC	60%	0	500	0	\$ 817	\$ -	\$ -	\$ 817	\$ -
0BR/1BA	LIHTC	50%	0	500	0	\$ 681	\$ -	\$ -	\$ 681	\$ -
0BR/1BA	LIHTC	40%	0	500	0	\$ 545	\$ -	\$ -	\$ 545	\$ -
0BR/1BA	LIHTC	30%	0	500	0	\$ 408	\$ -	\$ -	\$ 408	\$ -
0BR/1BA	MGR	Mgr.	0	500	0	\$ -	\$ -	\$ -	\$ -	\$ -
1BR/1BA	MKT	100%	0	744	0	\$ -	\$ -	\$ -	\$ -	\$ -
1BR/1BA	LIHTC	80%	0	744	0	\$ 1,168	\$ -	\$ -	\$ 1,168	\$ -
1BR/1BA	LIHTC	70%	0	744	0	\$ 1,022	\$ -	\$ -	\$ 1,022	\$ -
1BR/1BA	LIHTC	60%	0	744	0	\$ 876	\$ -	\$ -	\$ 876	\$ -
1BR/1BA	LIHTC	50%	0	744	0	\$ 730	\$ -	\$ -	\$ 730	\$ -
1BR/1BA	LIHTC	40%	0	744	0	\$ 584	\$ -	\$ -	\$ 584	\$ -
1BR/1BA	LIHTC	30%	0	744	0	\$ 438	\$ -	\$ -	\$ 438	\$ -
1BR/1BA	MGR	Mgr.	0	744	0	\$ -	\$ -	\$ -	\$ -	\$ -
2BR/1BA	MKT	100%	0	854	0	\$ -	\$ -	\$ 71.00	\$ -	\$ -
2BR/1BA	LIHTC	80%	0	854	0	\$ 1,402	\$ -	\$ 71.00	\$ 1,331	\$ -
2BR/1BA	LIHTC	70%	0	854	0	\$ 1,227	\$ -	\$ 71.00	\$ 1,156	\$ -
2BR/1BA	LIHTC	60%	0	854	0	\$ 1,051	\$ -	\$ 71.00	\$ 980	\$ -
2BR/1BA	LIHTC	50%	17	854	14,518	\$ 876	\$ -	\$ 71.00	\$ 805	\$ 164,220
2BR/1BA	LIHTC	40%	6	854	5,124	\$ 701	\$ -	\$ 71.00	\$ 630	\$ 45,360
2BR/1BA	LIHTC	30%	6	854	5,124	\$ 526	\$ -	\$ 71.00	\$ 455	\$ 32,760
2BR/1BA	MGR	Mgr.	1	854	854	\$ -	\$ -	\$ 71.00	\$ -	\$ -
3BR/2BA	MKT	100%	0	1,087	0	\$ -	\$ -	\$ 89.00	\$ -	\$ -
3BR/2BA	LIHTC	80%	0	1,087	0	\$ 1,620	\$ -	\$ 89.00	\$ 1,531	\$ -
3BR/2BA	LIHTC	70%	0	1,087	0	\$ 1,418	\$ -	\$ 89.00	\$ 1,329	\$ -
3BR/2BA	LIHTC	60%	0	1,087	0	\$ 1,216	\$ -	\$ 89.00	\$ 1,127	\$ -
3BR/2BA	LIHTC	50%	18	1,087	19,566	\$ 1,013	\$ -	\$ 89.00	\$ 924	\$ 199,584
3BR/2BA	LIHTC	40%	6	1,087	6,522	\$ 810	\$ -	\$ 89.00	\$ 721	\$ 51,912
3BR/2BA	LIHTC	30%	6	1,087	6,522	\$ 608	\$ -	\$ 89.00	\$ 519	\$ 37,368
3BR/2BA	MGR	Mgr.	0	1,087	0	\$ -	\$ -	\$ 89.00	\$ -	\$ -
4BR/2BA	MKT	100%	0	1,250	0	\$ -	\$ -	\$ -	\$ -	\$ -
4BR/2BA	LIHTC	80%	0	1,250	0	\$ 1,808	\$ -	\$ -	\$ 1,808	\$ -
4BR/2BA	LIHTC	70%	0	1,250	0	\$ 1,581	\$ -	\$ -	\$ 1,581	\$ -
4BR/2BA	LIHTC	60%	0	1,250	0	\$ 1,355	\$ -	\$ -	\$ 1,355	\$ -
4BR/2BA	LIHTC	50%	0	1,250	0	\$ 1,130	\$ -	\$ -	\$ 1,130	\$ -
4BR/2BA	LIHTC	40%	0	1,250	0	\$ 904	\$ -	\$ -	\$ 904	\$ -
4BR/2BA	LIHTC	30%	0	1,250	0	\$ 678	\$ -	\$ -	\$ 678	\$ -
4BR/2BA	MGR	Mgr.	0	1,250	0	\$ -	\$ -	\$ -	\$ -	\$ -
Total Rents			60		58,230				531,204	

RA Contract	Rent	Units	Annual Overhang	Annual Overhang / TCAC
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
0BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
1BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
2BR/1BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
3BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
4BR/2BA	\$ -	-	\$ -	\$ -
RA Total	0	0	0	0

Community Room/Office 2,500 % Loss In Efficiency 15% 9,110
Construction Square Feet 60,730

Detailed Operating Budget and Income Analysis

Income from Operations		PUPM			
Total Rents				531,204	
Laundry	\$ 10.00			7,200	
Other Income (App. Fees, Late, etc.)	\$ 10.00			7,200	
Sub-Total	\$ 5.00			545,604	
Rental Assistance				0	
Less: Vacancies @	5%			27,280	
Commercial Income	\$ -	PSF RENT	0 Commercial SF	0	
Less: Vacancies @	50%			0	
Total Income				518,324	
Operating Expenses					
		PUPA		Notes	
Admin	\$ 567			34,046	
Management Fee	\$ 600			36,000	
Utilities	\$ 1,100	includes trash		66,000	
Payroll	\$ 1,734			104,057	
Repair & Maintenance	\$ 366			21,979	
Insurance	\$ 425			25,500	
Taxes (HOA, CFD)	\$ 37			2,196	
Additional expense	\$ -			0	
Total Expenses	\$ 4,830			289,778	
Commercial Expenses	\$ -	psf		0	
Net Operating Income				228,546	
Reserves	\$500.00/unit			30,000	
Services	\$271/unit			16,284	
Other Annual Cost				0	
Issuer and Monitoring Fees	HOME	0.000%	0 minimum	0 per unit monitoring fee	5,900
Soft Loan Payments		0.420%			18,278
Net Income Available for Debt Service				158,084	

Loan Sizing

Loan Type:	Private	N/A
	Tranche A	Tranche B
Loan Amount	1,820,000	0
Interest	6.44%	6.44%
Term	17	35
Amortization	35	35
Debt Service Coverage	1.20	1.20
Monthly Payment	10,921	57
Annual Payment	131,048	688
Cash Flow After D/S	27,035	26,347
Max Loan Amount	0	0

DEBT AMORTIZATION TABLES
REMINGTON VILLAS

Perm Loan (Tranche A)																	Refinance Loan	
Loan Amount	1,820,000																NOI	232,266
Interest Rate	6.44%																DSCR	1.20
Term	35																Interest Rate	6.00%
Monthly Payment	10,921																Loan Amt	2,690,278
Annual Debt Service	131,048																Annual Pmt	193,555
Conversion	3/31/2025	3																
	12/1/24																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Beginning Balance	1,820,000	1,806,160	1,791,428	1,775,747	1,759,057	1,741,292	1,722,383	1,702,266	1,680,833	1,658,030	1,633,758	1,607,924	1,580,426	1,551,157	1,520,003	1,486,843	1,451,547	
Debt Service	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048	131,048
Interest	117,208	116,317	115,368	114,358	113,283	112,139	110,921	109,625	108,246	106,777	105,214	103,550	101,779	99,895	97,888	95,753	93,480	
Principal	13,840	14,732	15,680	16,690	17,765	18,909	20,127	21,423	22,803	24,271	25,834	27,498	29,269	31,154	33,160	35,296	37,569	
Unpaid Accrued Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Loan Payoff/Refinance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	1,806,160	1,791,428	1,775,747	1,759,057	1,741,292	1,722,383	1,702,266	1,680,833	1,658,030	1,633,758	1,607,924	1,580,426	1,551,157	1,520,003	1,486,843	1,451,547	1,413,978	

1,203,435 Potential add

Priority Deferred Developer Fee																		
Loan Amount	919,891																	
Interest Rate	1.00%																	
Term																		
Monthly Payment																		
Annual Debt Service																		
100.0% of Avail Cashflow																		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Beginning Balance	919,891	912,054	903,426	893,011	880,857	867,020	851,561	834,550	816,061	796,179	774,993	752,603	729,117	704,653	679,338	653,309	626,542	0
Payments	17,035	17,748	19,450	21,084	22,646	24,129	25,527	26,834	28,043	29,148	30,140	31,012	31,755	32,362	32,823	33,142	33,317	0
Interest Earned	9,199	9,121	9,034	8,930	8,809	8,670	8,516	8,345	8,161	7,962	7,750	7,526	7,291	7,047	6,793	6,533	6,267	0
Interest Paid	9,199	9,121	9,034	8,930	8,809	8,670	8,516	8,345	8,161	7,962	7,750	7,526	7,291	7,047	6,793	6,533	6,267	0
Unpaid Accrued Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Principal	7,836	8,628	10,416	12,154	13,837	15,458	17,011	18,489	19,883	21,186	22,390	23,485	24,464	25,315	26,029	26,616	27,070	0
Loan Payoff/Refinance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	912,054	903,426	893,011	880,857	867,020	851,561	834,550	816,061	796,179	774,993	752,603	729,117	704,653	679,338	653,309	626,542	600,000	0

Local Funds: City Fee Deferral Loan																		
Loan Amount	305,460																	
Interest Rate	3.00%																	
Term	55																	
Monthly Payment																		
Annual Debt Service																		
4.1% of Avail Cashflow																		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Beginning Balance	305,460	314,624	323,788	332,951	342,115	351,279	360,443	369,607	378,770	387,934	397,098	406,262	415,426	424,589	433,753	442,917	452,081	0
Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earned	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	9,164	0
Interest Paid	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unpaid Accrued Interest	9,164	18,328	27,491	36,655	45,819	54,983	64,147	73,310	82,474	91,638	100,802	109,966	119,129	128,293	137,457	146,621	155,785	0
Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Payoff/Refinance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	314,624	323,788	332,951	342,115	351,279	360,443	369,607	378,770	387,934	397,098	406,262	415,426	424,589	433,753	442,917	452,081	461,245	0