

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

View at San Bruno, located at 840 San Bruno Avenue West in San Bruno on a 1.57 acre site, requested and is being recommended for a reservation of \$10,871,877 in annual federal tax credits and \$125,000,000 of tax-exempt bond cap to finance the new construction of 341 units of housing, consisting of 337 restricted rental units, and 4 unrestricted manager's units. The project will have 86 one-bedroom units, 169 two-bedroom units, and 86 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The building will be 10 stories and Type I construction. Common amenities include a community room, bike parking, green space and an outdoor BBQ area. Each unit will have Energy Star appliances, energy efficient lighting, storage closets, assigned parking, air conditioning and be network ready. The construction is expected to begin in January 2025 and be completed in June 2027. The project will be developed by JEMCOR Development Partners, LLC and will be located in Senate District 13 and Assembly District 21.

**Project Number** CA-24-521

**Project Name** View at San Bruno  
Site Address: 840 San Bruno Avenue West  
San Bruno, CA 94066  
County: San Mateo  
Census Tract: 6041.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$10,871,877	\$0
Recommended:	\$10,871,877	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$125,000,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: JEMCOR Development Partners, LLC  
Contact: Jonathan Emami  
Address: 1700 S. El Camino Real, Suite 400  
San Mateo, CA 94402  
Phone: 415-941-5832  
Email: jemami@jemcorpartners.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Berkadia Commercial Mortgage LLC

**Development Team**

General Partner(s) or Principal Owner(s): JS IV View at San Bruno, LLC  
PACH San Jose Holdings, LLC

General Partner Type: Joint Venture

Parent Company(ies): JEMCOR Development Partners, LLC  
Pacific Housing, Inc.

Developer: JEMCOR Development Partners, LLC

Investor/Consultant: Berkadia

Management Agent: FPI Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 2

Total # of Units: 341

No. / % of Low Income Units: 337 100.00%

Average Targeted Affordability: 59.94%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family

Geographic Area: South and West Bay Region

State Ceiling Pool: New Construction

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	34	10%
50% AMI:	34	10%
60% AMI:	135	40%
70% AMI*:	134	40%

\*CTCAC restricted only

**Unit Mix**

86 1-Bedroom Units

169 2-Bedroom Units

86 3-Bedroom Units

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341 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
9 1 Bedroom	30%	\$1,045
8 1 Bedroom	50%	\$1,742
35 1 Bedroom	60%	\$2,091
34 1 Bedroom	70%	\$2,439
17 2 Bedrooms	30%	\$1,254
17 2 Bedrooms	50%	\$2,091
66 2 Bedrooms	60%	\$2,509
66 2 Bedrooms	70%	\$2,927
8 3 Bedrooms	30%	\$1,449
9 3 Bedrooms	50%	\$2,415
34 3 Bedrooms	60%	\$2,898
34 3 Bedrooms	70%	\$3,381
3 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$21,501,900
Construction Costs	\$137,529,939
Construction Hard Cost Contingency	\$6,679,814
Soft Cost Contingency	\$606,128
Architectural/Engineering	\$3,843,000
Const. Interest, Perm. Financing	\$18,661,744
Legal Fees	\$600,000
Reserves	\$2,081,843
Other Costs	\$17,917,549
Developer Fee	\$27,273,323
<b>Total</b>	<b>\$236,695,240</b>

### **Residential**

Construction Cost Per Square Foot:	\$442
Per Unit Cost:	\$694,121
Estimated Hard Per Unit Cost:	\$342,224
True Cash Per Unit Cost*:	\$615,572
Bond Allocation Per Unit:	\$366,569
Bond Allocation Per Restricted Rental Unit:	\$615,764

<b><u>Construction Financing</u></b>		<b><u>Permanent Financing</u></b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Berkadia: Tax-Exempt	\$125,000,000	Berkadia: Tax-Exempt	\$105,000,000
Berkadia: Taxable	\$22,928,167	Deferred Costs	\$4,948,010
Berkadia: Recycled Tax-Exempt	\$20,000,000	Net Operating Income	\$3,638,429
Deferred Costs	\$4,948,010	General Partner Equity	\$5,000,000
Deferred Reserves	\$2,081,843	Deferred Developer Fee	\$26,785,031
Net Operating Income	\$3,638,429	Tax Credit Equity	\$91,323,770
General Partner Equity	\$5,000,000	<b>TOTAL</b>	<b>\$236,695,240</b>
Deferred Developer Fee	\$27,273,323		
Tax Credit Equity	\$25,825,468		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$209,095,474
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$271,824,116
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$10,871,877
Approved Developer Fee (in Project Cost & Eligible Basis):	\$27,273,323
Investor/Consultant:	Berkadia
Federal Tax Credit Factor:	\$0.84000

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**

Staff noted a per unit development cost of \$694,293. The applicant noted that the per unit cost is attributed to the large size and Type I concrete construction costs.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, 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	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

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:** 85.647%