

HOUSING DEVELOPMENT PROJECT REVIEW

Development Name: Crossings on Monterey
Borrower: UHC 00661 Morgan Hill, L.P.
Address: North East Corner of Monterey and Bisceglia
Census Tract: 5123.13 **San Jose Council District:** N/A **Supervisory District:** 1
Total Development Cost: \$22,841,968
Residential Square Footage: 52,541 **Commercial/Office Square Footage:** 0

Crossings on Monterey



North East Corner of Monterey and Bisceglia

PROJECT SUMMARY

The Crossings on Monterey is 3-story affordable housing development consisting of 39 affordable housing units in Morgan Hill being developed by Urban Housing Communities (UHC). Approximately 20 units will be reserved for chronically homeless and homeless individuals and families. 1 unit is set aside for staff and the other 18 units will be low income tax credit housing units available to households earning up to 60% of the area median income. UCH is currently working on finalizing the final architectural renderings for a Design Review application that is subject to review and approval by the Planning Commission. The date for this meeting has not been scheduled, but it is anticipated to be scheduled for early 2018.

Existing Conditions: The subject site is currently vacant.

Land Use: The City of Morgan Hill has a slow growth initiative referred to as Measure C. UHC competed for permits and received an allocation of 39 units in two separate rounds. UHC is required to go back for design review approval which will be scheduled early next year. UHC has requested an extension of time for these allocations and is expected to return for final design review approval in February 2018.

Green Building: The development will adhere to green building standards and include energy efficient and environmentally friendly construction techniques such as, but not limited to Energy Star appliances, increased insulation, ceiling fans, radiant barrier in the roof, low-e windows, low flow fixtures, LEF lightings and drought tolerant landscaping.

Environmental Review: UHC is working with the City of Morgan Hill on the environmental review which is currently projected to be completed in mid-March.

Services: Currently the resident services will be provided by Central Valley Coalition for Affordable Housing. The Office of Supportive Housing will be working closely with the City of Morgan Hill staff on

setting performance standards and will possibly consider identifying a secondary partner to provide additional services to the residents.

Project-Based Section 8 Vouchers: UHC, as part of this application, is requesting an allocation of 20 Project-Based Section 8 vouchers as part of the Supportive Housing Development Program NOFA.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control (Option exercised)	January 2, 2018
2. Community Engagement (continuous and ongoing)	June 1, 2017
3. City Council Land Use Approval	January 12, 2016 & February 2018
4. Submit 4% Tax Credit Application & Bond Application	March 7, 2018
5. Receive reservation of tax credit award	June 14, 2018
6. Construction finance closing	October 15, 2018
7. Begin Construction	October 16, 2018
8. Start of Lease-Up Activities	August 1, 2019
9. Complete Construction	October 16, 2019
10. 100% Occupancy	January 31, 2020
11. Permanent Loan Conversion	March 1, 2020

Permanent Source of Funds

Perm Loan	\$8,074,000
City of Morgan Hill	\$750,000
County of Santa Clara	\$5,800,000
Accrued/Deferred Interest	\$143,750
Tax Credit Equity	\$7,679,286
Deferred Developer Fee	\$394,932
Total Permanent Source of Funds	\$22,841,968

Use of Funds

Acquisition	\$2,472,000
Legal	\$210,000
Predevelopment Loan Interest/Fees	
New Construction	\$12,402,561
Construction Contingency	\$1,240,256
Soft Cost Subtotal	\$4,607,151
Capitalized Operating Reserve	\$210,000
Developer Fee	\$1,305,068
Developer Fee Deferred	\$394,932
Total Use of Funds	\$22,841,968