

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

**Project Staff Report
Tax-Exempt Bond Project
Placed In Service
July 19, 2017**

Project Number CA-15-884

Project Name Woodglen Vista
Site Address: 10450 N. Magnolia Avenue
Santee, CA 92071 County: San Diego
Census Tract: 166.090

Tax Credit Amounts	Federal/Annual	State/Total
Requested at PR:	\$1,096,300	\$0
Recommended at PIS:	\$1,437,912	\$0

Owner Information

Owner: Woodglen Vista Housing Partners LP
Contact: John Okura
Address: 17701 Cowan Avenue, #200
Irvine, CA 92614
Phone: (949) 263-8676 Fax: (949) 263-0647
Email: jokura@jamboreehousing.com

General Partner(s) or Principal Owner(s): JHC-Woodglen LLC
WNC Development Partners, LLC
General Partner Type: Joint Venture
Parent Company(ies): Jamboree Housing Corporation
WNC Development Partners, LLC
Developer: Jamboree Housing Corporation
Investor/Consultant: WNC
Management Agent: FPI Management Inc

Placed in Service Dates: Acquisition: 01/4/16- Recorded Grant Deed Date
Rehabilitation: 05/31/2017
(within 24 months of meeting at least 20% of substantial rehab expenditure)

Federal Rates: 3.22% (Acquisition) & 3.24% (Rehabilitation)

% of Aggregate Basis Financed with Tax-Exempt Bond Proceeds: 76.78%

Project Information

Construction Type: Acquisition & Rehabilitation
 Total # Residential Buildings: 8
 Total # of Units: 188
 No. & % of Tax Credit Units: 185 99.46%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt/HUD Section 8 Project-Based Vouchers (186 Units - 98.93%)
 HCD MHP Funding: No
 55-Year Use/Affordability: Yes
 Number of Units @ or below 50% of area median income: 38
 Number of Units @ or below 60% of area median income: 147

Bond Information

Issuer: California Housing Finance Agency
 Date of Issuance: February 29, 2016
 Credit Enhancement: No

Information

Housing Type: Large Family
 Geographic Area: San Diego County
 PIS Project Analyst: Marisol Parks

Unit Mix

44 1-Bedroom Units
 96 2-Bedroom Units
 48 3-Bedroom Units

 188 Total Units

<u>Unit Type & Number</u>	<u>2017 Rents Targeted % of Area Median Income</u>	<u>2017 PIS Rents % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	50%	43%	\$740
3 1 Bedroom	50%	43%	\$740
34 1 Bedroom	60%	52%	\$888
13 2 Bedrooms	50%	43%	\$888
7 2 Bedrooms	50%	43%	\$888
76 2 Bedrooms	60%	52%	\$1,066
10 3 Bedrooms	50%	43%	\$1,026
37 3 Bedrooms	60%	52%	\$1,231
1 1 Bedrooms	Manager's Unit	Manager's Unit	\$1,160
1 3 Bedrooms	Manager's Unit	Manager's Unit	\$1,605
1 1 Bedroom	Market Rate Unit	Market Rate Unit	\$900

Total of 188 units, 185 are Low-Income and 1 is Market Rate

Project Financing

Actual Total Project Cost:	\$44,429,397
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Estimated Total Project Cost:	\$38,329,547
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Residential

Construction Cost Per Square Foot:	\$81
Per Unit Cost:	\$236,327

Est. Construction Cost Per Square Foot:	\$55
Per Unit Cost:	\$203,881

Permanent Financing at PR

Source	Amount
CalHFA	\$24,600,000
Construction Period Income	\$2,766,547
Tax Credit Equity	\$10,963,000
TOTAL	\$38,329,547

Permanent Financing at PIS

Source	Amount
CalHFA	\$25,600,000
Construction Period Income	\$2,497,000
Deferred Developer Fee	\$2,186,100
Tax Credit Equity	\$14,146,297
TOTAL	\$44,429,397

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$20,360,244
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$18,264,316
Applicable Fraction:	99.46%
Qualified Basis (Rehabilitation):	\$26,326,014
Applicable Rate:	3.24%
Qualified Basis (Acquisition):	\$18,166,121
Applicable Rate:	3.22%
Maximum Annual Federal Credit, Rehabilitation:	\$852,963
Maximum Annual Federal Credit, Acquisition:	\$584,949
Total Maximum Annual Federal Credit:	\$1,437,912
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,350,000
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.98381

Eligible Basis and Basis Limit

Requested Unadjusted Eligible Basis:	\$38,624,560
Actual Eligible Basis:	\$38,624,560
Unadjusted Threshold Basis Limit:	\$56,933,720
Total Adjusted Threshold Basis Limit:	\$80,276,545

Adjustments to Basis Limit:

55-Year Use/Affordability Restriction – 1% for Each 1% of Low-Income Units are Income Targeted between 50% AMI & 36% AMI: 20%

Special Issues/Other Significant Information: There was substantial increase in Rehabilitation and Relocation costs. The project cost increased from \$38.3 million to \$44.4 million (16%). The increased project cost resulted in an increased tax credit request from \$1,096,300 to \$1,437,912 (31%).

The original scope of rehabilitation work was based on estimates provided by the development and asset management team. Overall expectation of the rehabilitation was to include: repair or replacement of appliances, cabinets, countertops, plumbing and lighting fixtures, carpet and paint. Unforeseen conditions that increased the project cost included: discovery of mold, removal of asbestos, redesign of hot water delivery system, electrical panel replacement due to fire hazard, HVAC upgrade required by the building code, re-design of units to meet ADA code requirements, and added solar thermal system. The actual rehabilitation work added an additional \$3.92 million to the estimated cost.

The original relocation budget was estimated to be \$574,000, the final cost was \$2.68 million. Each of the items listed above prolonged the construction schedule causing residents to be out of their units for longer periods of time. Additional per diem lodging and meal costs were incurred for each additional day a resident was out of their unit. This final amount includes temporary lodging, per diem meal payments, moving and storage expenses, relocation, consulting fees, and permanent relocation of some residents.

Additional Conditions: The applicant/owner is required to provide the tenants with the following service amenities free of charge for a minimum of ten (10) years in accordance with the bond allocation from CDLAC. These services may be changed to meet the needs of the tenants upon prior approval from CDLAC and written notification to TCAC:

- After school program on-site for a minimum of 10 hours per week
- Offer a bona fide service coordinator for a minimum of 1333.07 hours per year.

The applicant/owner is required to complete the following sustainable building methods in accordance with the bond allocation from CDLAC and provide the applicable certifications and documentation when the TCAC placed-in-service application is submitted:

- The project commits to improve energy efficiency above the modeled energy consumption of the building(s) by a 30% decrease, based on an estimated annual energy use, in the buildings Home Energy Rating System II (HERSII) post rehabilitation.