

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Project Staff Report**  
**2009 Cash in Lieu of Credits - Section 1602 Funds**  
**July 8, 2009**

**Project Number** CA-2009-502

**Project Name** New Carver Apartments

Site Address: 325 West 17<sup>th</sup> Street  
 Los Angeles, CA 90015

County: Los Angeles

Census Tract: 2240.10

**Applicant Information**

Applicant: New Carver Apartments, L.P.

Sponsor: Cristian Ahumada

Address: 1317 East 7<sup>th</sup> Street  
 Los Angeles, CA 90021

Phone: (213) 683-0522 Fax: (213) 683-0781

email: [Cristian@skidrow.org](mailto:Cristian@skidrow.org)

General Partner Type: Nonprofit

The general partner or principal owner is Skid Row Housing Trust.

**Information**

Set-Aside: Nonprofit Homeless Apportionment

Housing Type: Special Needs – 100%

Geographic Area: Los Angeles

Proposed Average Affordability: 40.02%

**Project Information**

Construction Type: New Construction

Total # of Units: 97

Total # Residential Buildings: 1

**Davis-Bacon or NEPA Required:** Yes

**State Prevailing Wages Required:** No

**2007 TCAC Project Number:** CA-2007-106

**Original 2007 Federal Tax Credits Allocated:** \$1,774,298

**2007 Federal Tax Credits Exchanged/Returned:** \$1,774,298

**Applicable Fraction:** X .85

**Cash Award Recommended:** \$15,081,533

**Approved 2007 TCAC Proposed Rent and Income Levels**

<u>Unit Type &amp; Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
10 SRO	30%	\$388
75 SRO	40%	\$518
10 SRO	50%	\$647
1 SRO	Manager's Unit	\$0
1 One-Bedroom	Manager's Unit	\$0

## Project Financing

Estimated Total Project Cost: \$33,305,077 Per Unit Cost: \$343,351

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Citicorp	\$17,321,514	Permanent Loan	\$2,594,000
LAHD- HOME	\$7,000,000	HCD MHP - Supportive	\$7,988,244
General Partner Equity	\$100	LAHD	\$6,600,000
Deferred Costs	\$1,978,137	Deferred Costs	\$800,500
TCAC ARRA Funds	\$2,701,910	Accrued Interest	\$240,800
		TCAC ARRA Funds	\$15,081,533
		<b>TOTAL</b>	<b>\$33,305,077</b>

## Income and Expense Statement for Year 1

<b>Gross Residential Rents:</b>	\$944,647
<b>Miscellaneous Income:</b>	\$2,225
<b>Less Vacancy Rate: 10%</b>	\$(94,687)
<b>Total Effective Gross Income:</b>	\$852,185
<b>Less Total Expenses/Reserves:</b>	\$516,228
<b>Net Operation Income:</b>	\$335,957
<b>Debt Service:</b>	\$296,732
<b>Debt Service Ratio:</b>	1.13 to 1

Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations.

## Standard Conditions

The Committee may make a Conditional Reservation of American Recovery and Reinvestment Act of 2009 (ARRA), Section 1602 funds for the project. This Conditional Reservation would not constitute a commitment. The provision of any funds is conditioned on TCAC's determination to proceed with, modify or cancel the project based on further underwriting and review.

All ARRA funded projects will be required to track and report on all jobs created or retained as a result of the funds.