

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

Project Number CA-2009-511

Project Name Lindsay Senior Apartments
Site Address: Westwood Avenue and Highway 65
 Lindsay, CA 93247 County: Tulare
Census Tract: 0028.00

Applicant Information

Applicant: Lindsay Pacific Associates, a California Limited Partnership
Sponsor: Caleb Roope
Address: 430 East State Street, Suite 100
 Eagle, ID 83616
Phone: (208) 461-0022 Fax: (208) 461-3267
Email: calebr@tpchousing.com

General Partners Type: Joint Venture
 The general partners or principal owners are Kaweah Management Company, Inc. and Roope, LLC.

Information

Set-Aside: Rural
Housing Type: Seniors
Proposed Average Affordability: 51.62%

Project Information

Construction Type: New Construction
Total # of Units: 73
Total # Residential Buildings: 5

Davis-Bacon or NEPA Required: Yes

State Prevailing Wages Required: No

2008 TCAC Project Number: CA-2008-066

Original 2008 Federal Tax Credits Allocated: \$998,117

2008 Federal Tax Credits Retained: \$10,000

2008 Federal Tax Credits Exchanged/Returned: \$988,117

Applicable Fraction: X .85

Cash Award Recommended: \$8,398,995

Approved 2008 TCAC Proposed Rent and Income Levels

<u>Unit Type & Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
6 One-Bedroom	30%	\$302
15 One-Bedroom	50%	\$504
29 One-Bedroom	55%	\$554

8 One-Bedroom	60%	\$605
2 Two-Bedroom	30%	\$363
3 Two-Bedroom	50%	\$605
7 Two-Bedroom	55%	\$665
2 Two-Bedroom	60%	\$726
1 Two-Bedroom	Manager's Unit	\$0

Project Financing

Estimated Total Project Cost: \$11,953,995 Per Unit Cost: \$163,753

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Wells Fargo Bank	\$8,900,538	Wells Fargo Bank	\$1,000,000
City of Lindsay – HOME	\$1,170,000	City of Lindsay – HOME	\$1,170,000
Deferred Costs	\$164,392	USDA 515	\$1,000,000
Deferred Developer Fee	\$600,000	Deferred Developer Fee	\$376,500
TCAC ARRA Funds	\$1,896,233	Investor Equity	\$8,500
		TCAC ARRA Funds	\$8,398,995
		TOTAL	\$11,953,995

Income and Expense Statement for Year 1

Gross Residential Rents:	\$399,768
Miscellaneous Income:	\$5,475
Less Vacancy Rate: 5%	\$(20,262)
Total Effective Gross Income:	\$384,981
Less Total Expenses/Reserves:	\$397,964
Net Operation Income:	\$266,450
Debt Service:	\$250,040
Debt Service Ratio:	1.17 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), Tax Credit Assistance Program (TCAP) funds for the project sponsor. This Conditional Reservation would not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the California Tax Credit Allocation Committee of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part §58. The provision of any funds to the project is conditioned on TCAC's determination to proceed

with, modify or cancel the project based on the results of a subsequent environmental review and further underwriting.

The project sponsor is prohibited from undertaking or committing any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. A violation of this provision may result in the denial of any funds.

In addition, each project ultimately awarded ARRA TCAP funds will have to comply with all federal requirements, such as Section 504, Davis-Bacon federal labor standards laws, anti-lobbying requirements, lead-based paint rules, and other federal laws.

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