

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

**Project Number** CA-2009-523

**Project Name** Sunny View II Apartments  
**Site Address:** 430 20<sup>th</sup> Avenue  
 Delano, CA 93215 County: Kern  
**Census Tract:** 48

**Applicant Information**

**Applicant:** 20<sup>th</sup> and 18<sup>th</sup> Avenue Associates, a California Limited Partnership  
**Contact:** Andrew Hanna  
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 Irvine, CA 92614  
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**General Partner Type:** Joint Venture  
 The general partners or principal owners are Global Premier Development, Inc. and Central Valley Coalition for Affordable Housing.

**Information**

**Housing Type:** Large Family  
**Geographic Area:** Central Region  
**Proposed Average Affordability:** 49.79%

**Project Information**

**Construction Type:** New Construction  
**Total # of Units:** 70  
**Total # Residential Buildings:** 5

**Davis-Bacon or NEPA Required:** No  
**State Prevailing Wages Required:** No  
**2008 TCAC Project Number:** CA-2008-138  
**Original 2008 Federal Tax Credits Allocated:** \$988,851  
**2008 Federal Tax Credits Exchanged/Returned:** \$988,851  
**Applicable Fraction:** X .85  
**Cash Award Recommended:** \$8,405,234

**Approved 2008 TCAC Proposed Rent and Income Levels**

<u>Unit Type &amp; Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
4 Two-Bedroom Units	30%	\$363
4 Two-Bedroom Units	40%	\$484

23	Two-Bedroom Units	50%	\$605
14	Two-Bedroom Units	60%	\$726
3	Three-Bedroom Units	30%	\$419
3	Three-Bedroom Units	40%	\$559
12	Three-Bedroom Units	50%	\$699
6	Three-Bedroom Units	60%	\$839
1	Two-Bedroom Units	Manager's Unit	\$726

**Project Financing**

Estimated Total Project Cost: \$12,896,071 Per Unit Cost: \$184,230

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
SunAmerica	\$7,761,003	Permanent Loan	\$3,237,269
Deferred Developer Fee	\$1,481,585	AHP	\$900,000
TCAC ARRA Funds	\$4,598,162	Deferred Developer Fee	\$353,568
		TCAC ARRA Funds	\$8,405,234
		<b>TOTAL</b>	<b>\$12,896,071</b>

**Income and Expense Statement for Year 1**

<b>Gross Residential Rents:</b>	\$513,672
<b>Miscellaneous Income:</b>	\$10,920
<b>Less Vacancy Rate: 5%</b>	\$(26,230)
<b>Total Effective Gross Income:</b>	\$498,362
<b>Less Total Expenses/Reserves:</b>	\$255,000
<b>Net Operation Income:</b>	\$243,362
<b>Debt Service:</b>	\$211,619
<b>Debt Service Ratio:</b>	1.15 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.