

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Project Staff Report**  
**2009 Cash in Lieu of Credits - Section 1602 Funds**  
**August 5, 2009**

**Project Number** CA-2009-533

**Project Name** Altaville Apartments  
**Site Address:** 675 Copello Drive  
 Angels Camp, CA 95222 County: Calaveras

**Applicant Information**

**Applicant:** Copello Square, a California Limited Partnership  
**Sponsor:** Elva L. Grant  
**Address:** 1008 Second Street, 2<sup>nd</sup> Floor  
 Sacramento, CA 95814  
**Phone:** (916) 281-2472 Fax: (916) 554-7502  
**Email:** [elvagrant@covad.net](mailto:elvagrant@covad.net)

General Partners(s)Type: Nonprofit  
 The general partner or principal owner is Copello Drive, LLC.

**Information**

Housing Type: At-Risk  
 Proposed Average Affordability: 49.93%

**Project Information**

Construction Type: Rehabilitation  
 Federal Subsidy: RHS 515  
 Total # of Units: 50  
 Total # Residential Buildings: 7

**Davis-Bacon Required:** No

**NEPA Required:** No

**State Prevailing Wages Required:** No

**2008 TCAC Project Number:** CA-2008-117

**Original 2008 Federal & State Tax Credits Allocated:** \$322,341 \$1,208,780

**2008 Federal & State Tax Credits Exchanged/Returned:** \$322,341 \$1,208,780

**Current Net Equity Factor:** .85 Fed .60 State

**Amount of Net Equity Factor Requested:** (\$322,341 X 10 X .85) (\$1,208,780 X .60)

**Federal & State Totals** \$2,739,899 \$725,268

**Total Cash Award Recommended:** **\$3,465,167**

**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)
2 One-bedroom Units	30%	\$345
2 One-bedroom Units	40%	\$460
10 One-bedroom Units	50%	\$575
2 Two-bedroom Units	30%	\$415
3 Two-bedroom Units	40%	\$553
15 Two-bedroom Units	50%	\$691
14 Two-bedroom Units	60%	\$829
1 Three-bedroom Unit	30%	\$479
1 Three-bedroom Unit	Manager's Unit	\$0

**Project Financing**

Estimated Total Project Cost: \$6,794,410 Per Unit Cost: \$135,888

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Capmark	\$1,300,000
RHS 515 Loan – Assumed	\$1,674,345
Deferred Developer Fee	\$354,898
TCAC ARRA Funds	\$3,465,167
<b>TOTAL</b>	<b>\$6,794,410</b>

**Income and Expense Statement for Year 1**

<b>Gross Residential Rents:</b>	\$387,588
<b>Miscellaneous Income:</b>	\$8,500
<b>Less Vacancy Rate: 5%</b>	(\$19,804)
<b>Total Effective Gross Income:</b>	\$376,284
<b>Less Total Expenses/Reserves:</b>	\$195,000
<b>Net Operation Income:</b>	\$181,284
<b>Debt Service:</b>	\$151,699
<b>Debt Service Ratio:</b>	1.20 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.

Numbers contained in the proposed financing are subject to update and will be refined within 30 days of loan execution agreement.