

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2009 – Section 1602 Funds

August 5, 2009

Gap Financing

Project Number CA-2009-539

Project Name Carson City Center Senior Housing

Site Address: 708-724 East Carson Street & 21720 Avalon Boulevard

Carson, CA 90745

County: Los Angeles

Census Tracts: 5439.03

Applicant Information

Applicant: Thomas L. Safran d.b.a. Thomas Safran & Associates

Contact: Andrew Gross

Address: 11812 San Vicente Boulevard, Suite 600

Los Angeles, CA 90049

Phone: (310) 820-4888

Fax: (310) 207-5063

Email: Andrew@tsahousing.com

General Partner Type: Joint Venture

The general partners or principal owners are Thomas Safran and Housing Corporation of America.

Information

Housing Type: Seniors

Proposed Average Affordability: 49.64%

Project Information

Construction Type: New Construction

Federal Subsidy: None

Total # of Units: 86

Total # Residential Buildings: 1

Davis-Bacon Required: No

NEPA Required: No

State Prevailing Wages Required: No

2008 TCAC Project Number: CA-2008-103

Original 2008 Federal Tax Credits Allocated: \$1,250,500

Original 2008 Federal Tax Credits Retained: \$1,250,500

Amount of Gap Financing Requested: \$900,375

Current Net Equity Factor: .775

Amount of Net Equity Factor Requested: .075 (\$1,250,500 X 10 X .075)

Amount of Gap Financing Recommended: \$900,375

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)
9 One-bedroom Units	30%	\$426
9 One-bedroom Units	40%	\$568
43 One-bedroom Units	50%	\$710
24 One-bedroom Units	60%	\$852
1 Two-bedroom Unit	Managers' Units	\$1,023

Project Financing

Estimated Total Project Cost: \$28,927,000 Per Unit Cost: \$336,360

Revised Permanent Financing

<u>Source</u>	<u>Amount</u>
CCRC	\$3,250,000
City of Carson	\$13,900,000
CAL ReUSE	\$622,750
Deferred Fees	\$950,000
TCAC ARRA Funds	\$900,375
Investor Equity	\$9,303,875
TOTAL	\$28,927,000

Income and Expense Statement for Year 1

Gross Residential Rents:	\$680,784
Miscellaneous Income:	\$11,750
Less Vacancy Rate: 5%	(\$34,627)
Total Effective Gross Income:	\$657,907
Less Total Expenses/Reserves:	\$337,750
Net Operation Income:	\$320,157
Debt Service:	\$272,694
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), 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.