CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
December 11, 2019

Amaya Village, located at 1525 Park Boulevard in Orange Cove, requested and is being recommended for a reservation of $1,126,251 in annual federal tax credits to finance the new construction of 80 units of housing serving large families with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Pacific West Communities, Inc. and will be located in Senate District 14 and Assembly District 31.

The project financing includes state funding from SGC/HCD's AHSC program.

Project Number CA-19-579

Project Name Amaya Village
Site Address: 1525 Park Boulevard
Orange Cove, CA 93646 County: Fresno
Census Tract: 65.01

Tax Credit Amounts	**Federal/Annual**	**State/Total**
Requested:	$1,126,251	$0
Recommended:	$1,126,251	$0

Applicant Information
Applicant: Orange Cove Amaya Associates, a California Limited Partnership
Contact: Caleb Roope
Address: 430 E. State Street, Suite 100
Eagle, ID 83616
Phone: (208) 461-0022
Email: calebr@tpchousing.com

General Partner(s) or Principal Owner(s): TPC Holdings VII, LLC
Deep Green Housing and Community Development
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Deep Green Housing and Community Development
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Capital
Management Agent: Buckingham Property Management

Project Information
Construction Type: New Construction
Total # Residential Buildings: 9
Total # of Units: 81
No. / % of Low Income Units: 80 100.00%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Tax-Exempt
Utility Allowance: CUAC

Bond Information

Issuer:	California Municipal Finance Authority (CMFA)
Expected Date of Issuance:	December 19, 2019

Information

Housing Type:	Large Family
Geographic Area:	Central Valley Region
TCAC Project Analyst:	Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting Number of Units		Percentage of Affordable Units
30% AMI:	16	20%
50% AMI:	34	43%
60% AMI:	30	38%

Unit Mix

24	2-Bedroom Units
41	3-Bedroom Units
16	4-Bedroom Units
81	Total Units

Unit Type & Number		2019 Rents Targeted % of Area Median Income	2019 Rents Actual % of Area Median Income	Proposed Rent (including utilities)
4	2 Bedrooms	30%	30%	$438
10	2 Bedrooms	50%	50%	$730
10	2 Bedrooms	60%	60%	$876
8	3 Bedrooms	30%	30%	$505
18	3 Bedrooms	50%	50%	$842
14	3 Bedrooms	60%	60%	$1,011
4	4 Bedrooms	30%	30%	$564
6	4 Bedrooms	50%	50%	$940
6	4 Bedrooms	60%	60%	$1,128
1	3 Bedrooms	Manager’s Unit	Manager’s Unit	$0

Project Cost Summary at Application	
Land and Acquisition	$570,000
Construction Costs	$18,115,546
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$910,000
Soft Cost Contingency	$500,000
Relocation	$0
Architectural/Engineering	$640,000
Const. Interest, Perm. Financing	$1,219,000
Legal Fees	$70,000
Reserves	$273,702
Other Costs	$1,707,225
Developer Fee	$3,424,296
Commercial Costs	$0
Total	**$27,429,769**

Residential	
Construction Cost Per Square Foot:	$194
Per Unit Cost:	$338,639
True Cash Per Unit Cost*:	$323,524

Construction Financing

Source	Amount
JPMorgan Chase Bank	$16,000,000
JPMorgan Chase Bank (taxable)	$7,000,000
Deferred Developer Fee	$3,424,296
Deferred Cost	$273,702
Tax Credit Equity	$731,771

Permanent Financing

Source	Amount
JPMorgan Chase Bank	$4,100,000
SGC/HCD - AHSC Loan	$11,745,000
Deferred Developer Fee	$1,224,296
Tax Credit Equity	$10,360,473
TOTAL	**$27,429,769**

*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	$26,252,934
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$34,128,814
Applicable Rate:	3.30%
Total Maximum Annual Federal Credit:	$1,126,251
Approved Developer Fee (in Project Cost & Eligible Basis):	$3,424,296
Investor/Consultant:	Boston Capital
Federal Tax Credit Factor:	$0.91991

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Eligible Basis and Basis Limit

Requested Unadjusted Eligible Basis:	$26,252,934
Actual Eligible Basis:	$26,252,934
Unadjusted Threshold Basis Limit:	$32,807,392
Total Adjusted Threshold Basis Limit:	$63,897,211

Adjustments to Basis Limit

One or more Energy Efficiency/Resource Conservation/Indoor Air Quality Features:

● Project has onsite renewable generation estimated to produce 50% or more of annual tenant electricity use as indicated in TCAC Regulations.

● New construction: project buildings are at least 15% more energy efficient than 2016 Energy Efficiency Standards (California Code of Regulations, Title 24, Part 6) as indicated in TCAC Regulations.

Local Development Impact Fees.

55-Year Use/Affordability Restriction – 1% for Each 1% of Low-Income and Market Rate Units are Income Targeted between 50% AMI & 36% AMI: 42%

55-Year Use/Affordability Restriction – 2% for Each 1% of Low-Income and Market Rate Units are Income Targeted at 35% AMI or Below: 40%

Cost Analysis and Line Item Review

Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations. Annual operating expenses meet or exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff has calculated federal tax credits based on 3.30% of the qualified basis. Applicants are cautioned to consider the expected federal rate when negotiating with investors. TCAC's financial evaluation at project completion will determine the final allocation.

Significant Information / Additional Conditions

The applicant has requested the use of a CUAC utility allowance. TCAC staff is in the process of reviewing the CUAC documentation for this existing project. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

Resyndication and Resyndication Transfer Event: None.

Standard Conditions

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a reservation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the TCAC placed in service review, TCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.