CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
August 11, 2021

Beacon Landing, located at 311-345 North Beacon Street in Los Angeles, requested and is being recommended for a reservation of $1,931,644 in annual federal tax credits and $4,989,170 in total state tax credits to finance the new construction of 88 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Abode Communities and will be located in Senate District 35 and Assembly District 70.

The project will be receiving rental assistance in the form of HACLA Project-based Vouchers. The project financing includes state funding from the NPLH program of LACDA.

Project Number	CA-21-543		
Project Name	Beacon Landing		
Site Address:	311-345 North Beacon Street		
	Los Angeles CA, 90731	County:	Los Angeles
Census Tract:	2962.10		

Tax Credit Amounts	**Federal/Annual**	**State/Total** *
Requested:	$1,931,644	$4,989,170
Recommended:	$1,931,644	$4,989,170

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant:	Abode Communities
Contact:	Lara Regus
Address:	1149 S Hill Street, Suite 700
	Los Angeles CA, 90015
Phone:	213-225-2812
Email:	lregus@abodecommunities.org

General Partner(s) or Principal Owner(s):	Beacon Landing GP, LLC
General Partner Type:	Nonprofit
Parent Company(ies):	Abode Communities
Developer:	Abode Communities
Bond Issuer:	City of Los Angeles
Investor/Consultant:	The California Housing Partnership Corporation
Management Agent:	Abode Communities

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	89	
No. / % of Low Income Units:	88	100.00%
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HACLA Project-based Vouchers (88 units - 100%)	

Information

Housing Type:	Special Needs
Geographic Area:	City of Los Angeles
TCAC Project Analyst:	Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units		Percentage of Affordable Units
30% AMI:	88	100%

Unit Mix

88	SRO/Studio Units
1	2-Bedroom Units
89	Total Units

Unit Type & Number		2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
88	SRO/Studio	30%	$621
1	2 Bedrooms	Manager's Unit	$0

Project Cost Summary at Application	
Land and Acquisition	$5,271,919
Construction Costs	$24,498,162
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$2,490,485
Soft Cost Contingency	$168,253
Relocation	$0
Architectural/Engineering	$1,727,695
Const. Interest, Perm. Financing	$2,687,020
Legal Fees	$215,000
Reserves	$845,769
Other Costs	$2,045,848
Developer Fee	$4,845,261
Commercial Costs	$0
Total	**$44,795,412**

Residential

Construction Cost Per Square Foot:	$535
Per Unit Cost:	$503,319
True Cash Per Unit Cost*:	$476,968

Construction Financing

Source	Amount
Citibank - Tax-Exempt	$23,043,032
Citibank - Taxable	$3,232,845
HCIDLA - HHH	$8,555,556
Deferred Interest - HHH	$130,923
LACDA - NPLH	$5,929,700
Deferred Costs	$1,896,759
Tax Credit Equity	$2,006,597

Permanent Financing

Source	Amount
Citibank - Tax-Exempt	$6,190,000
HCIDLA - HHH	$8,555,556
Deferred Interest - HHH	$130,923
LACDA - NPLH	$6,020,000
Deferred Developer Fee	$2,345,261
Tax Credit Equity	$21,553,672
TOTAL	**$44,795,412**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$37,147,003
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$48,291,104
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$1,931,644
Total State Credit:	$4,989,170
Approved Developer Fee (in Project Cost & Eligible Basis):	$4,845,261
Investor/Consultant:	The California Housing Partnership Corporation
Federal Tax Credit Factor:	$0.90144
State Tax Credit Factor:	$0.83000

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.

Significant Information / Additional Conditions: None.

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.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

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.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

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.