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

Worthington Del Sol Family Apartments, located at 603 West Worthington Road in Imperial, requested and is being recommended for a reservation of $948,770 in annual federal tax credits and $5,188,671 in total state tax credits to finance the new construction of 47 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 CRP Affordable Housing and Community Development LLC and will be located in Senate District 40 and Assembly District 56.

The project financing includes state funding from the AHSC program of HCD.

Project Number	CA-21-571	
Project Name	Worthington Del Sol Family Apartments	
Site Address:	603 West Worthington Road	
	Imperial, CA 92251	County: Imperial
Census Tract:	110.00	

Tax Credit Amounts	**Federal/Annual**	**State/Total** *
Requested:	$948,770	$5,188,671
Recommended:	$948,770	$5,188,671

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

Applicant Information

Applicant:	MAAC Worthington Del Sol Family Apartments MGP LLC
Contact:	Arnulfo Manriquez
Address:	1355 Third Avenue Chula Vista, CA 91911
Phone:	212-776-1914
Email:	AManriquez@maacproject.org

General Partner(s) or Principal Owner(s):	CRP Worthington Del Sol Family Apts. AGP LLC MAAC Worthington Del Sol Family Apts. MGP LLC
General Partner Type:	Joint Venture
Parent Company(ies):	CRP AGP LLC MAAC**
Developer:	CRP Affordable Housing and Community Dev. LLC
Bond Issuer:	California Housing Finance Agency
Investor/Consultant:	Candeur Group
Management Agent:	Hyder Property Management Professionals, LLC

**Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc.

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	2
Total # of Units:	48
No. / % of Low Income Units:	47 100.00%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt

Information

Housing Type:	Large Family
Geographic Area:	Inland Empire Region
TCAC Project Analyst:	Tiffani Negrete

55-Year Use / Affordability

Aggregate Targeting Number of Units		Percentage of Affordable Units
30% AMI:	10	21%
40% AMI:	10	21%
60% AMI:	27	57%

Unit Mix

30	2-Bedroom Units
18	3-Bedroom Units
48	Total Units

Unit Type & Number		2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
18	2 Bedrooms	60%	$942
6	2 Bedrooms	40%	$628
6	2 Bedrooms	30%	$471
9	3 Bedrooms	60%	$1,087
4	3 Bedrooms	40%	$725
4	3 Bedrooms	30%	$543
1	3 Bedrooms	Manager's Unit	$0

Project Cost Summary at Application

Land and Acquisition	$400,526
Construction Costs	$11,541,041
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$596,070
Soft Cost Contingency	$240,218
Relocation	$0
Architectural/Engineering	$680,755
Const. Interest, Perm. Financing	$1,151,301
Legal Fees	$307,500
Reserves	$137,417
Other Costs	$1,732,519
Developer Fee	$2,379,857
Commercial Costs	$0
Total	**$19,167,204**

Residential

Construction Cost Per Square Foot:	$252
Per Unit Cost:	$399,317
True Cash Per Unit Cost*:	$399,317

Construction Financing

Source	Amount
Citibank - T.E. Bonds	$10,122,768
Citibank - Recycled Bonds	$1,500,000
Citibank	$4,400,000
Deferred Costs	$1,543,198
Tax Credit Equity	$1,601,238

Permanent Financing

Source	Amount
Citibank - T.E. Bonds	$1,533,333
HCD - AHSC	$5,316,658
Tax Credit Equity	$12,317,213
TOTAL	**$19,167,204**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$18,245,569
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$23,719,239
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$948,770
Total State Credit:	$5,188,671
Approved Developer Fee (in Project Cost & Eligible Basis):	$2,379,857
Investor/Consultant:	Candeur Group
Federal Tax Credit Factor:	$0.84983
State Tax Credit Factor:	$0.81992

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

The applicant has requested the use of a CUAC utility allowance. TCAC staff will review the CUAC documentation for this existing 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.

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.