



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

CTCAC

Wednesday, September 29, 2021

**Upon adjournment of the
CDLAC Meeting or 11:15 a.m.**



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 311
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

BOARD MEMBERS (voting)
FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

DIRECTOR
NANCEE ROBLES
Executive Director

MEETING NOTICE

AGENDA

MEETING DATE:
September 29, 2021

TIME:
**11:15 AM or Upon adjournment of
CDLAC Committee Meeting**

LOCATION:
**915 Capitol Mall, Room 587
Sacramento, CA 95814**

Public Participation Call-In Number*
(888) 557-8511
Participant Code:
5651115

The Committee may take action on any item.
Items may be taken out of order.

There will be an opportunity for public comment at the end of each item, prior to any action.

1. Call to Order and Roll Call

Action Item: **2. Approval of the Minutes of the September 8, 2021 Meeting**

3. Executive Director's Report

Presented by: Nancee Robles

Discussion to consider recommendations for the 2021 Second Round Federal 9% Low Income Housing Tax Credit Applications at the October 20, 2021 CTCAC meeting

Action Item: **4. Recommendation for Reservation of 2021 Federal Four Percent (4%) and State Low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond Financed Projects**

Presented by: Anthony Zeto

<u>Project #</u>	<u>Project name</u>
CA-21-615	Orange Corporate Yard
CA-21-647	Portola Senior
CA-21-651	Santa Fe Commons I



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Action Item: **5. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a 2021 Second Round Reservation of Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs). See Exhibit A for a list of the appealing projects.**
Presented by: Anthony Zeto

Action Item: **6. Recommendation for Reservation of 2021 Consolidated Appropriations Act ("CAA") Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs)**
Presented by: Anthony Zeto

A preliminary list of recommended applications can be viewed at:

<https://www.treasurer.ca.gov/ctcac/2021/2021-2nd-Round-9-Preliminary-Recommendations-CAA.pdf>

NOTE: The preliminary list of recommended applications is CTCAC staff's preliminary recommendation list and projects on the list may be removed at any time prior to the Committee Meeting.

Action Item: **7. Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1) for 2021 Second Round Federal Nine Percent (9%) Low Income Housing Tax Credit (LIHTC) Applications**
Presented by: Anthony Zeto

8. Public Comment

9. Adjournment

FOR ADDITIONAL INFORMATION

Nancee Robles, Executive Director, CTCAC
915 Capitol Mall, Room 485, Sacramento, CA 95814
(916) 654-6340

This notice may also be found on the following Internet site:

www.treasurer.ca.gov/ctcac

* Interested members of the public may use this number to call in to listen to and/or comment on items before the California Tax Credit Allocation Committee. Additional instructions will be provided to callers once they call the indicated number. This call-in number is provided as an option for public participation but the Committee is not responsible for unforeseen technical difficulties that may occur. The Committee is under no obligation to postpone or delay its meeting in the event such technical difficulties occur during or before the meeting.



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

The California Tax Credit Allocation Committee (CTCAC) complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of the CTCAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact Tracy Sullivan of CTCAC no later than five calendar days before the meeting at (916) 653-1065 and Telecommunication Device for the Deaf (TDD) at (916) 654-9922.

Exhibit A
Appeals pursuant to CTCAC Regulation Section 10330(b)(1)*

1. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Paradise Gardens III (CA-21-159) affecting the 2021 Second Round Applications for Reservation of Consolidated Appropriations Act (“CAA”) Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs) **in Butte County**.*
 - Paradise Gardens III (CA-21-159) is being recommended for Reservation of CAA Federal 9% LIHTCs. The appeal does not affect the placement of the project on the Preliminary Recommendation list.

2. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Pacific Station South (CA-21-158) affecting the 2021 Second Round Applications for Reservation of CAA Federal Nine Percent (9%) LIHTCs **in Santa Cruz County**.
 - If the appeal for Pacific Station South (CA-21-158) is granted in its entirety, Pacific Station South (CA-21-158) will be recommended for a Reservation of LIHTCs and Pippin Phase II (CA-21-160) will not be recommended for a Reservation of CAA Federal 9% LIHTCs.

3. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Sun Lodge (CA-21-101) and Avalon Commons – Phase I (CA-21-098) affecting the 2021 Second Round Applications for Reservation of CAA Federal 9% LIHTCs **in Fresno County**.*
 - If the appeals for Sun Lodge (CA-21-101) and Avalon Commons – Phase I (CA-21-098) are both granted in its entirety, Sun Lodge (CA-21-101) will be recommended for a Reservation of CAA Federal 9% LIHTCs. Sarah’s Court (CA-21-087) will not receive a Reservation of CAA Federal 9% LIHTCs.
 - If the appeal for Sun Lodge (CA-21-101) is granted in its entirety and the appeal Avalon Commons – Phase I (CA-21-098) is not granted in its entirety, Sun Lodge (CA-21-101) will be recommended for a Reservation of CAA Federal 9% LIHTCs. Sarah’s Court (CA-21-087) will not receive a Reservation of CAA Federal 9% LIHTCs.
 - If the appeal for Sun Lodge (CA-21-101) is not granted in its entirety and the appeal Avalon Commons – Phase I (CA-21-098) is granted in its entirety, Avalon Commons – Phase I (CA-21-098) will be recommended for a Reservation of CAA Federal 9% LIHTCs. Sarah’s Court (CA-21-087) will not receive a Reservation of CAA Federal 9% LIHTCs.

4. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Alexander Valley Apartments (CA-21-135) affecting the 2021 Second Round Applications for Reservation of CAA Federal Nine Percent (9%) LIHTCs **in Sonoma County**.*
 - If the appeal for Alexander Valley Apartments (CA-21-135) is granted in its entirety, Alexander Valley Apartments (CA-21-135) will be recommended for a Reservation of CAA Federal 9% LIHTCs.

***At the time of this publication, it is not known the complete list of applicants will file appeals for consideration by the Committee. CTCAC staff has listed all potential, known appeals.**

5. Discussion and consideration of an appeal filed under CTCAC Regulation Section 10330 on behalf of Parkview Affordable Housing (CA-21-123) affecting the 2021 Second Round Applications for Reservation of CAA Federal Nine Percent (9%) LIHTCs **in the South Region.***
 - If the appeal for Parkview Affordable Housing (CA-21-123) is granted in its entirety, Parkview Affordable Housing (CA-21-123) will be recommended for a Reservation of LIHTCs and Rialto Metrolink South (CA-21-128) will not be recommended for a Reservation of CAA Federal 9% LIHTCs.

***At the time of this publication, it is not known the complete list of applicants will file appeals for consideration by the Committee. CTCAC staff has listed all potential, known appeals.**

AGENDA ITEM 2

Approval of the Minutes of the
September 8, 2021 Meeting

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Minutes of the September 8, 2021 Meeting

1. Roll Call

State Treasurer Fiona Ma chaired the meeting of the California Tax Credit Allocation Committee (CTCAC). Treasurer Ma called the meeting to order at 10:35 a.m. Also, present Anthony Sertich for State Controller Betty Yee; Gayle Miller for Department of Finance (DOF) Director Keely Martin Bosler; Kate Ferguson for California Housing Finance Agency (CalHFA) Executive Director Tiena Johnson Hall and Zachary Olmstead for California Department of Housing and Community Development (HCD) Director Gustavo Velasquez.

City Representative Vivian Moreno and County Representative Terra Lawson-Remer were absent.

2. Approval of the Minutes of the August 11, 2021 Meeting

MOTION: Mr. Sertich moved to approve the August 11, 2021 Meeting Minutes. Ms. Miller seconded, and the motion passed unanimously via a roll call vote.

3. Executive Director's Report

CTCAC Executive Director, Nancee Robles stated she would defer her Executive Director's Report to the next Committee Meeting on September 29, 2021.

- End of Executive Director's Report

There was public comment.

Peter Asar, a tenant residing at the Park Apartments, formerly Irvine Inn located in Irvine, California raised issues with the rents being charged at the property and noted the residents were being overcharged. He stated the Single Room Occupancy (SRO) units were approximately 260 square feet and noted they were substandard housing and noted some of the amenities provided at the property. Mr. Asar noted the rent has increased while the service amenities have been reduced. He stated the starting rent when the project opened was \$413 per month and noted that other Section 8 projects were capped at 30% of income while providing more amenities. Mr. Asar noted the rent at the project was \$942 per month which he stated was at 40% of the average median income (AMI). He stated he can provide a list of a apartments that charge hundreds of dollars less for better living conditions. Mr. Asar requested CTCAC staff look into his concerns.

Treasurer Ma requested that Mr. Asar send an email to Ms. Robles to look into the matter further.

4. Recommendation for Reservation of 2021 Federal Four Percent (4%) and State low Income Housing Tax Credits (LIHTCs) for Tax-Exempt Bond Financed Projects

Deputy Director, Anthony Zeto stated two projects awarded tax-exempt bonds at the California Debt Limit Allocation Committee (CDLAC) August 11, 2021 meeting are now being recommended for a reservation of federal and state tax credits. He stated staff has reviewed the projects and they meet all program requirements.

Mr. Sertich asked if the three projects granted appeals at today's CDLAC meeting would be recommended for a reservation of tax credits at the September 29, 2021 CTCAC meeting.

Mr. Zeto confirmed the three projects will be included on the September 29, 2021 meeting notice for a reservation of tax credits.

MOTION: Mr. Sertich moved to approve the reservation of credits. Ms. Miller seconded, and the motion passed unanimously via a roll call vote.

5. Public Comment

There was no public comment.

6. Adjournment

Treasurer Ma adjourned the meeting at 10:45 a.m.

AGENDA ITEM 3

Executive Director's Report

AGENDA ITEM 4

Recommendation for Reservation of
2021 Federal Four Percent (4%) and
State Low Income
Housing Tax Credits (LIHTCs) for Tax-
Exempt Bond Financed Projects

Application	Project Name Address City, State Zip Code	Applicant/Owner	General Partner(s)	Developer(s)	Seller(s)		Credit Enhancement	Lender(s) (First Lender is Primary Construction Lender)
Number	County	Applicant/Owner Contact(s)	General Partner(s) Contact(s)	Developer(s) Contact(s)	Signatory of Seller(s)	Bond Issuer	Provider	
CA-21-615	Orange Corporate Yard 637 West Struck Ave. Orange, CA 92867 Orange County	Orange Housing Development Corporation Todd Cottle	C&C Orange Corporate Yard LLC Todd Cottle OHDC Orange Corporate Yard LLC Eunice Bobert	C&C Development Co., LLC Todd Cottle	City of Orange Rick Otto	CMFA	N/A	Bank of America Orange County City of Orange - HOME
CA-21-647	Portola Senior Southeast corner of Glenn Ranch Rd. and Saddleback Ranch Rd. Lake Forest, CA 92679 Orange County	Portola Senior Housing Associates, LP Mary Jane Jagodzinski	Lake Forest Housing Opportunities, LLC Mary Jane Jagodzinski	Community HousingWorks Mary Jane Jagodzinski	SRC-PH Investments, LLC Nick Lee	CMFA	N/A	US Bank SRC-PH
CA-21-651	Santa Fe Commons I 537 North West St. Tulare, CA 93274 County of Tulare	Self-Help Enterprises Betsy McGovern-Garcia	Santa Fe Commons I LLC Betsy McGovern-Garcia	Self-Help Enterprises Betsy McGovern-Garcia	Sandra L. Vejar Sandra L. Vejar	CMFA	N/A	US Bank HCD - NPLH, Joe Serna City of Tulare Neighborworks

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
September 29, 2021

Orange Corporation Yard, located at 637 West Struck Avenue in the City of Orange, requested and is being recommended for a reservation of \$1,380,912 in annual federal tax credits to finance the new construction of 61 units of housing serving large families with rents affordable to households earning 30-70% of area median income (AMI). The project will be developed by C&C Development Co., LLC and will be located in Senate District 37 and Assembly District 68.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-615

Project Name Orange Corporate Yard
Site Address: 637 West Struck Avenue
 Orange, CA 92867 County: Orange
Census Tract: 762.04

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,380,912	\$0
Recommended:	\$1,380,912	\$0

Applicant Information

Applicant: Orange Housing Development Corporation
Contact: Todd Cottle
Address: 14211 Yorba Street, Suite 200
 Tustin, CA 92780
Phone: (714) 288-7600
Email: todd@c-cdev.com

General Partner(s) or Principal Owner(s): C&C Orange Corporate Yard LLC
 OHDC Orange Corporate Yard LLC

General Partner Type: Joint Venture

Parent Company(ies): C&C Development Co., LLC
 Orange Housing Development Corporation

Developer: C&C Development Co., LLC

Bond Issuer: California Municipal Finance Authority

Investor/Consultant: National Equity Fund Inc.

Management Agent: Advanced Property Services Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 2
 Total # of Units: 62
 No. / % of Low Income Units: 61 100.00%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: Tax-Exempt / HOME / HUD Section 8 Project-based Vouchers
 (8 Units / 13%)

Information

Housing Type: Large Family
 Geographic Area: Orange County
 TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI: 20	33%
50% AMI: 9	15%
60% AMI: 25	41%
70% AMI: 7	11%

Unit Mix

18 2-Bedroom Units
44 3-Bedroom Units
<u>62 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 2 Bedrooms	30%	\$908
5 3 Bedrooms	30%	\$1,049
12 2 Bedrooms	30%	\$908
9 3 Bedrooms	50%	\$1,748
25 3 Bedrooms	60%	\$2,098
3 2 Bedrooms	70%	\$2,119
4 3 Bedrooms	70%	\$2,448
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,321,000
Construction Costs	\$16,645,802
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,654,493
Soft Cost Contingency	\$300,000
Relocation	\$0
Architectural/Engineering	\$1,175,000
Const. Interest, Perm. Financing	\$1,649,232
Legal Fees	\$160,000
Reserves	\$283,800
Other Costs	\$2,235,179
Developer Fee	\$3,463,825
Commercial Costs	\$0
Total	\$31,888,331

Residential

Construction Cost Per Square Foot:	\$234
Per Unit Cost:	\$514,328
True Cash Per Unit Cost*:	\$450,395

Construction Financing

Source	Amount
Bank of America	\$16,100,000
Bank of America - Taxable Loan	\$2,400,200
Seller Carryback	\$3,000,000
Housing Asset Fund	\$1,250,000
Development Loan	\$762,500
HOME	\$1,600,000
Deferred Costs	\$325,943
Deferred Developer Fee	\$2,713,825
General Partner Equity	\$100
Tax Credit Equity	\$3,735,763

Permanent Financing

Source	Amount
Bank of America (Tranche A)	\$10,303,160
Bank of America (Tranche B)	\$1,533,230
Seller Carryback	\$3,000,000
Housing Asset Fund	\$1,250,000
Development Loan	\$762,500
HOME	\$1,600,000
Orange County	\$479,520
Deferred Developer Fee	\$963,825
General Partner Equity	\$100
Tax Credit Equity	\$11,995,996
TOTAL	\$31,888,331

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$26,555,993
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$34,522,791
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,380,912
Total Maximum Annual Federal Credit:	\$1,380,912
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,463,825
Investor/Consultant:	National Equity Fund Inc.
Federal Tax Credit Factor:	\$0.86870

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.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

**Project Staff Report
Tax-Exempt Bond Project
September 29, 2021**

Portola Senior, located at SE corner of Glenn Ranch Road and Saddleback Ranch Road in Lake Forest, requested and is being recommended for a reservation of \$840,242 in annual federal tax credits to finance the new construction of 57 units of housing serving tenants with rents affordable to households earning 50% of area median income (AMI). The project will be developed by Community HousingWorks and will be located in Senate District 37 and Assembly District 68.

Project Number CA-21-647

Project Name Portola Senior
Site Address: SE corner of Glenn Ranch Road and Saddleback Ranch Road
Lake Forest, CA 92679 County: Orange
Census Tract: 1524.28

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$840,242	\$0
Recommended:	\$840,242	\$0

Applicant Information

Applicant: Portola Senior Housing Associates, LP
Contact: Mary Jane Jagodzinski
Address: 3111 Camino del Rio North #800
San Diego, CA 92108
Phone: (619) 450-8710
Email: mj Jag@mchworks.org

General Partner(s) or Principal Owner(s): Lake Forest Housing Opportunities, LLC
General Partner Type: Nonprofit
Parent Company(ies): Community HousingWorks
Developer: Community HousingWorks
Bond Issuer: CMFA
Investor/Consultant: California Housing Partnership Corporation
Management Agent: ConAm Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 58
No. / % of Low Income Units: 57 100.00%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: Tax-Exempt

Information

Housing Type: Non-Targeted
 Geographic Area: Orange County
 TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
50% AMI: 57	100%

Unit Mix

<u>58 1-Bedroom Units</u>
58 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
17 1 Bedroom	50%	\$1,261
40 1 Bedroom	50%	\$1,261
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$18,559
Construction Costs	\$10,207,108
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,076,424
Soft Cost Contingency	\$307,613
Relocation	\$0
Architectural/Engineering	\$877,387
Const. Interest, Perm. Financing	\$1,613,489
Legal Fees	\$0
Reserves	\$267,747
Other Costs	\$1,399,374
Developer Fee	\$1,953,655
Commercial Costs	<u>\$4,072,718</u>
Total	\$21,794,074

Residential

Construction Cost Per Square Foot:	\$230
Per Unit Cost:	\$300,943
True Cash Per Unit Cost*:	\$300,943

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
US Bank - T.E	\$11,245,815	US Bank - Taxable	\$5,499,000
US Bank - Taxable	\$4,307,355	Master Developer Gap Loan	\$3,732,585
Master Developer Gap Loan	\$3,732,585	Master Developer - Commercial	\$4,339,380
Deferred Interest	\$122,912	Deferred Interest	\$122,912
Deferred Cost	\$939,265	General Partner Contribution	\$953,655
General Partner Contribution	\$953,655	General Partner Capital	\$100
General Partner Capital	\$100	Tax Credit Equity	\$7,146,442
Tax Credit Equity	\$492,387	TOTAL	\$21,794,074

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,158,507
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$21,006,059
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$840,242
Approved Developer Fee in Project Cost:	\$1,953,655
Approved Developer Fee in Eligible Basis:	\$1,686,993
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.85052

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.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
September 29, 2021

Santa Fe Commons I, located at 537 N. West Street in Tulare, requested and is being recommended for a reservation of \$1,121,095 in annual federal tax credits and \$8,408,212 in total state tax credits to finance the new construction of 80 units of housing serving large families with rents affordable to households earning 20-60% of area median income (AMI). The project will be developed by Self-Help Enterprises and will be located in Senate District 16 and Assembly District 26.

The project financing includes state funding from the NPLH and Joe Serna, Jr. FWHG program(s) of HCD.

Project Number CA-21-651

Project Name Santa Fe Commons I
 Site Address: 537 N. West St.
 Tulare, CA 93274 County: Tulare
 Census Tract: 22.03

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$1,121,095	\$8,408,212
Recommended:	\$1,121,095	\$8,408,212

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

Applicant Information

Applicant: Self-Help Enterprises
 Contact: Betsy McGovern-Garcia
 Address: PO Box 6520
 Visalia, CA 93290
 Phone: 559-802-1653
 Email: betsyg@selfhelpenterprises.org

General Partner(s) or Principal Owner(s): Santa Fe Commons I LLC
 General Partner Type: Nonprofit
 Parent Company(ies): Self-Help Enterprises
 Developer: Self-Help Enterprises
 Bond Issuer: California Municipal Finance Authority
 Investor/Consultant: Community Economics, Inc.
 Management Agent: A.W.I. 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

Information

Housing Type: Large Family
 Geographic Area: Central Valley Region
 TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI: 31	39%
45% AMI: 18	23%
50% AMI: 19	24%
60% AMI: 12	15%

Unit Mix

36 1-Bedroom Units
 24 2-Bedroom Units
21 3-Bedroom Units
 81 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
12 1 Bedroom	20%	\$196
9 1 Bedroom	30%	\$196
1 1 Bedroom	30%	\$392
6 1 Bedroom	45%	\$588
5 1 Bedroom	50%	\$653
3 1 Bedroom	60%	\$784
2 2 Bedrooms	20%	\$235
2 2 Bedrooms	30%	\$471
7 2 Bedrooms	45%	\$706
8 2 Bedrooms	50%	\$785
5 2 Bedrooms	60%	\$908
2 3 Bedrooms	20%	\$271
3 3 Bedrooms	30%	\$543
5 3 Bedrooms	45%	\$815
6 3 Bedrooms	50%	\$906
4 3 Bedrooms	60%	\$1,087
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,058,800
Construction Costs	\$19,666,250
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$983,313
Soft Cost Contingency	\$220,000
Relocation	\$0
Architectural/Engineering	\$600,000
Const. Interest, Perm. Financing	\$1,568,216
Legal Fees	\$15,000
Reserves	\$704,863
Other Costs	\$1,487,334
Developer Fee	\$3,500,000
Commercial Costs	\$0
Total	\$29,803,777

Residential

Construction Cost Per Square Foot:	\$267
Per Unit Cost:	\$367,948
True Cash Per Unit Cost*:	\$350,162

Construction Financing

<u>Source</u>	<u>Amount</u>
US Bank	\$15,443,215
US Bank	\$6,513,201
City of Tulare LMI Asset Fund	\$1,000,000
City of Tulare PLHA	\$318,433
Neighborworks	\$1,100,000
Tax Credit Equity	\$1,704,064

Permanent Financing

<u>Source</u>	<u>Amount</u>
US Bank	\$495,000
HCD - NPLH	\$4,934,239
HCD - Joe Serna	\$3,224,828
City of Tulare LMI Asset Fund	\$1,000,000
City of Tulare PLHA	\$318,433
Neighborworks	\$1,100,000
Deferred Developer Fee	\$1,440,633
General Partner Equity	\$400,000
Tax Credit Equity	\$16,890,644
TOTAL	\$29,803,777

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$28,027,374
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$28,027,374
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,121,095
Total State Credit:	\$8,408,212
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,500,000
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.90662
State Tax Credit Factor:	\$0.80000

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 project has an NPLH capitalized operating subsidy for 20 years that covers 25 of the large family units reserved for tenants at or below 30% AMI.

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.

AGENDA ITEM 5

Discussion and Consideration of appeals if filed under CTCAC Regulation Section 10330(b)(1), and if appeal is granted in its entirety, a 2021 Second Round Reservation of Consolidated Appropriations Act (“CAA”) Federal Nine Percent (9%) Low Income Housing Tax Credits (LIHTCs).

See Exhibit A for a list of the appealing projects.

Received On

SEP 07 2021

By CTCAC

September 3, 2021

Committee Members
California Tax Credit Allocation Committee
915 Capitol Mall, Room 485
Sacramento, CA 95814

Re: Pacific Station South
818,820,822 Pacific Ave
Santa Cruz, CA 95060

Dear Committee Members,

FTF Pacific Station, LLC hereby submits this formal appeal to the TCAC Scoring letter dated August 16, 2021, regarding CA-21-158/ Pacific Station South.

We respectfully disagree with the position taken in the letter that asserts we do not have an enforceable financing commitment from the State of California Department of Housing and Community Development (HCD) and are therefore ineligible to compete in the second tiebreaker category in the disaster credit competition for Santa Cruz County.

The second tiebreaker language in the TCAC regulations references “the presence of an enforceable financing commitment to the specific project of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD). . . .” Pacific Station House has an enforceable financing commitment that meets this requirement, yet TCAC is wrongly denying the project its tiebreaker points by applying the tiebreaker language in an unjustifiably narrow manner.

Pacific Station South has an enforceable commitment of more than \$1,000,000 in Local Housing Trust Fund (LHTF) Program proceeds. The LHTF Program is an HCD program (see HCD’s website for the LHTF Program, here: <https://www.hcd.ca.gov/grants-funding/active-funding/lhtf.shtml>). The LHTF Program requires a municipality to identify specific projects in its application for program funds. In this case, the City of Santa Cruz specifically identified the Pacific Station South project, and HCD granted the City an LHTF Program award for the Pacific Station South in an amount that is in excess of \$1,000,000. Upon receipt of the successful award, the City made the commitment directly to the Pacific Station South project. The HCD LHTF Program funds were not at the City’s discretion to use as they pleased; rather, those proceeds could be applied only to Pacific Station South, consistent with the City’s LHTF Program application and HCD’s award.

Therefore, the LHTF Program award letter and other materials included in Pacific Station South’s TCAC application constitute an enforceable financing commitment from HCD, meeting the requirements of the second tiebreaker for the disaster credit competition for Santa Cruz County.

This project has been in the works for several years, the project meets all applicable TCAC regulations and could start construction by March 2022. The Santa Cruz community has been

facing a housing crisis for several years and that crisis has unfortunately grown much worse due to the CZU fire in 2020 that resulted in almost 1,000 lost homes. This project is desperately needed for the community.

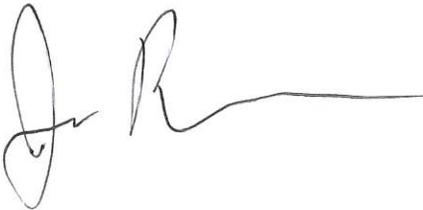
Additionally, this project is directly adjacent to the largest transit hub in Santa Cruz County: Santa Cruz Metro, and will also feature an onsite low income medical and dental clinic through non-profits that are active in the community via separate leases with the City of Santa Cruz; whom is and will remain the fee simple property owner for the project.

This project also includes 22 units that will be reserved for individuals with intellectual developmental disabilities. There is a major lack of housing options for this community in Santa Cruz County and there has been much anticipation for this project as it will provide such a large allocation of housing to one of the most vulnerable populations in our community.

This 7-story infill project is highly efficient in terms of the use of tax credits per bedroom adjusted unit, scoring 2nd out of the 7 Santa Cruz applications, and features the lowest ratio of tax credits/eligible basis in the second tiebreaker. It would be extremely unfortunate to stop this project from moving forward over an unduly narrow reading of TCAC's tiebreaker requirements.

Please contact me with any questions and we appreciate your consideration of our appeal to restore inclusion in the second tiebreaker category competition.

Sincerely,

A handwritten signature in black ink, appearing to read 'J Rendler', with a long horizontal flourish extending to the right.

Jim Rendler

FTF Pacific Station, LLC

(408)891-8303 Cell

jrendler@ftfhousing.com

945 W. Julian St.

San Jose, CA 95126



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

MEMBERS

FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON HALL
Executive Director of CalHFA

EXECUTIVE DIRECTOR
NANCEE ROBLES

August 31, 2021

Jim Rendler
Pacific Station South Investors, L.P., a to be formed L.P.
950 S. Bascom Ave. # 1014
San Jose, CA 95128

Email: jrendler@ftfhousing.com
mwiese@pacifichousing.org

RE: CA-21-158 / Pacific Station South

Dear Mr. Rendler:

This letter is in response to the 2nd appeal letter received on August 27, 2021 of the California Tax Credit Allocation Committee (CTCAC) the determination that the project does not meet the requirement of an enforceable financing commitment of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD) for purposes of the second tie breaker. Staff determined that the financing for Local Housing Trust Fund (LHTF) is not a financing commitment directly from HCD and therefore does not meet that portion of the requirement for the second tie breaker.

The 2nd appeal letter cited the CTCAC regulatory language and stated the project has an enforceable commitment from HCD as evidenced by the LHTF award letter. You explain that the LHTF program is an HCD program and requires a municipality to identify specific projects in its application for program funds. The 2nd appeal letter stated the City of Santa Cruz specifically identified the Pacific Station South project, and HCD granted the City an LHTF program award for the project in an amount that is in excess of \$1,000,000. You added that upon receipt of the successful award, the City of Santa Cruz made the commitment directly to the project. Finally, the 2nd appeal letter stated the LHTF program funds were not at the City of Santa Cruz's discretion to use; rather, the proceeds could be applied only to the Pacific Station South project.

Following review of the 2nd appeal letter, the application and CTCAC regulations, I concur with staff's determination for the reasons outlined in the original point letter dated August 16, 2021 and

August 31, 2021

the appeal response letter dated August 25, 2021. CTCAC Regulation Section 10325(d)(1) states that the commitment of at least \$1,000,000 be from HCD. In the final proposed changes adopted on June 16, 2021, CTCAC acknowledged comments received relating to financing awarded to local agencies and confirmed those commitments are not included for purposes of the second tie breaker. Based on the documentation in the application, the commitment of funds is from the City of Santa Cruz and not HCD. As a result, the appeal is not granted.

Please feel free to contact Anthony Zeto at azeto@treasurer.ca.gov should you have any questions or concerns. If you wish to appeal this decision to the Committee, you may submit a final written appeal, along with a \$500 appeal fee, that must be received by CTCAC no later than 5:00 pm on September 7, 2021. Please address any written appeal to CTCAC's mailing address, and staff will distribute it to the Committee for consideration at the next CTCAC meeting.

Sincerely,



Nancee Robles
Executive Director

August 27, 2021

Ms. Nancee Robles
Executive Director
CTCAC
915 Capitol Mall, Room 485
Sacramento, CA 95814

Re: Pacific Station South
818,820,822 Pacific Ave
Santa Cruz, CA 95060

Dear Ms. Robles,

FTF Pacific Station, LLC hereby submits this formal appeal to the TCAC Scoring letter dated August 16, 2021, regarding CA-21-158/ Pacific Station South.

We respectfully disagree with the position taken in the letter that asserts we do not have an enforceable financing commitment from the State of California Department of Housing and Community Development (HCD) and are therefore ineligible to compete in the second tiebreaker category in the disaster credit competition for Santa Cruz County.

The second tiebreaker language in the TCAC regulations references “the presence of an enforceable financing commitment to the specific project of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD). . . .” Pacific Station House has an enforceable financing commitment that meets this requirement, yet TCAC is wrongly denying the project its tiebreaker points by applying the tiebreaker language in an unjustifiably narrow manner.

Pacific Station South has an enforceable commitment of more than \$1,000,000 in Local Housing Trust Fund (LHTF) Program proceeds. The LHTF Program is an HCD program (see HCD’s website for the LHTF Program, here: <https://www.hcd.ca.gov/grants-funding/active-funding/lhtf.shtml>). The LHTF Program requires a municipality to identify specific projects in its application for program funds. In this case, the City of Santa Cruz specifically identified the Pacific Station South project, and HCD granted the City an LHTF Program award for the Pacific Station South in an amount that is in excess of \$1,000,000. Upon receipt of the successful award, the City made the commitment directly to the Pacific Station South project. The HCD LHTF Program funds were not at the City’s discretion to use as they pleased; rather, those proceeds could be applied only to Pacific Station South, consistent with the City’s LHTF Program application and HCD’s award.

Therefore, the LHTF Program award letter and other materials included in Pacific Station South’s TCAC application constitute an enforceable financing commitment from HCD, meeting the requirements of the second tiebreaker for the disaster credit competition for Santa Cruz County.

This project has been in the works for several years, the project meets all applicable TCAC

regulations and could start construction by March 2022. The Santa Cruz community has been facing a housing crisis for several years and that crisis has unfortunately grown much worse due to the CZU fire in 2020 that resulted in almost 1,000 lost homes. This project is desperately needed for the community.

Additionally, this project is directly adjacent to the largest transit hub in Santa Cruz County: Santa Cruz Metro, and will also feature an onsite low income medical and dental clinic through non-profits that are active in the community via separate leases with the City of Santa Cruz; whom is and will remain the fee simple property owner for the project.

This project also includes 22 units that will be reserved for individuals with intellectual developmental disabilities. There is a major lack of housing options for this community in Santa Cruz County and there has been much anticipation for this project as it will provide such a large allocation of housing to one of the most vulnerable populations in our community.

This 7-story infill project is highly efficient in terms of the use of tax credits per bedroom adjusted unit, scoring 2nd out of the 7 Santa Cruz applications, and features the lowest ratio of tax credits/eligible basis in the second tiebreaker. It would be extremely unfortunate to stop this project from moving forward over an unduly narrow reading of TCAC's tiebreaker requirements.

Please contact me with any questions and we appreciate your consideration of our appeal to restore inclusion in the second tiebreaker category competition.

Sincerely,



Jim Rendler

FTF Pacific Station, LLC

(408)891-8303 Cell

jrendler@ftfhousing.com

945 W. Julian St.

San Jose, CA 95126



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

MEMBERS

FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

DONALD CAVIER
Acting Executive Director of CalHFA

EXECUTIVE DIRECTOR
Nancee Robles

August 25, 2021

Jim Rendler
Pacific Station South Investors, L.P., a to be formed L.P.
950 S. Bascom Ave. # 1014
San Jose, CA 95128

Email: jrendler@ftfhousing.com
mwiese@pacifichousing.org

RE: CA-21-158 / Pacific Station South

Dear Mr. Rendler:

This letter is in response to the appeal letter dated August 20, 2021 and received on August 22, 2021 of the California Tax Credit Allocation Committee (CTCAC) the determination that the project does not meet the requirement of an enforceable financing commitment of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD) for purposes of the second tie breaker. Staff determined that the financing for Local Housing Trust Fund (LHTF) is not a financing commitment directly from HCD and therefore does not meet that portion of the requirement for the second tie breaker.

The appeal letter cited the regulatory language and stated the project has an enforceable commitment for LHTF program proceeds. You explain that the LHTF program requires a municipality to identify specific projects in its application for program funds. The appeal letter stated the City of Santa Cruz specifically identified the Pacific Station South project, and HCD granted the City an LHTF program award for the project in an amount that is in excess of \$1,000,000. You added that upon receipt of the successful award, the City of Santa Cruz made the commitment directly to the project. Finally, the appeal stated the LHTF program funds were not at the City of Santa Cruz's discretion to use; rather, the proceeds could be applied only to the Pacific Station South project.

Following review of the appeal letter, the application and CTCAC regulations, I concur with staff's determination for the reasons outlined in the original point letter dated August 16, 2021. CTCAC Regulation Section 10325(d)(1) is clear that the commitment of at least \$1,000,000 be from HCD.

Based on the documentation in the application, the commitment of funds is from the City of Santa Cruz and not HCD. As a result, the appeal is not granted.

Please feel free to contact me at azeto@treasurer.ca.gov should you have any questions or concerns. If you wish to appeal this decision, you may email your appeal in writing to Executive Director Nancee Robles at nancee.robles@treasurer.ca.gov and cc me at azeto@treasurer.ca.gov. Your appeal must be received by CTCAC no later than August 30, 2021.

Sincerely,



Anthony Zeto
Deputy Executive Director

August 20, 2021

Ms. Nancee Robles
Executive Director
CTCAC
915 Capitol Mall, Room 485
Sacramento, CA 95814

Re: Pacific Station South
818,820,822 Pacific Ave
Santa Cruz, CA 95060

Dear Ms. Robles,

FTF Pacific Station, LLC hereby submits this formal appeal to the TCAC Scoring letter dated August 16, 2021, regarding CA-21-158/ Pacific Station South.

We respectfully disagree with the position taken in the letter that asserts we do not have an enforceable financing commitment from the State of California Department of Housing and Community Development (HCD) and are therefore ineligible to compete in the second tiebreaker category in the disaster credit competition for Santa Cruz County.

The second tiebreaker language in the TCAC regulations references “the presence of an enforceable financing commitment to the specific project of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD). . . .” Pacific Station House has an enforceable financing commitment that meets this requirement, yet TCAC is wrongly denying the project its tiebreaker points by applying the tiebreaker language in an unjustifiably narrow manner.

Pacific Station South has an enforceable commitment of more than \$1,000,000 in Local Housing Trust Fund (LHTF) Program proceeds. The LHTF Program is an HCD program (see HCD’s website for the LHTF Program, here: <https://www.hcd.ca.gov/grants-funding/active-funding/lhtf.shtml>). The LHTF Program requires a municipality to identify specific projects in its application for program funds. In this case, the City of Santa Cruz specifically identified the Pacific Station South project, and HCD granted the City an LHTF Program award for the Pacific Station South in an amount that is in excess of \$1,000,000. Upon receipt of the successful award, the City made the commitment directly to the Pacific Station South project. The HCD LHTF Program funds were not at the City’s discretion to use as they pleased; rather, those proceeds could be applied only to Pacific Station South, consistent with the City’s LHTF Program application and HCD’s award.

Therefore, the LHTF Program award letter and other materials included in Pacific Station South’s TCAC application constitute an enforceable financing commitment from HCD, meeting the requirements of the second tiebreaker for the disaster credit competition for Santa Cruz County.

This project has been in the works for several years, the project meets all applicable TCAC

regulations and could start construction by March 2022. The Santa Cruz community has been facing a housing crisis for several years and that crisis has unfortunately grown much worse due to the CZU fire in 2020 that resulted in almost 1,000 lost homes. This project is desperately needed for the community.

Additionally, this project is directly adjacent to the largest transit hub in Santa Cruz County: Santa Cruz Metro, and will also feature an onsite low income medical and dental clinic through non-profits that are active in the community via separate leases with the City of Santa Cruz; whom is and will remain the fee simple property owner for the project.

This project also includes 22 units that will be reserved for individuals with intellectual developmental disabilities. There is a major lack of housing options for this community in Santa Cruz County and there has been much anticipation for this project as it will provide such a large allocation of housing to one of the most vulnerable populations in our community.

This 7-story infill project is highly efficient in terms of the use of tax credits per bedroom adjusted unit, scoring 2nd out of the 7 Santa Cruz applications, and features the lowest ratio of tax credits/eligible basis in the second tiebreaker. It would be extremely unfortunate to stop this project from moving forward over an unduly narrow reading of TCAC's tiebreaker requirements.

Please contact me with any questions and we appreciate your consideration of our appeal to restore inclusion in the second tiebreaker category competition.

Sincerely,



Jim Rendler

FTF Pacific Station, LLC

(408)891-8303 Cell

jrendler@ftfhousing.com

945 W. Julian St.

San Jose, CA 95126



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

915 Capitol Mall, Suite 485
Sacramento, CA 95814
p (916) 654-6340
f (916) 654-6033
www.treasurer.ca.gov/ctcac

MEMBERS

FIONA MA, CPA, CHAIR
State Treasurer

BETTY YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

GUSTAVO VELASQUEZ
Director of HCD

DONALD CAVIER
Acting Executive Director of CalHFA

EXECUTIVE DIRECTOR
Nancee Robles

August 16, 2021

Jim Rendler
Pacific Station South Investors, L.P., a to be formed L.P.
950 S. Bascom Ave. # 1014
San Jose, CA 95128

Email: jrendler@ftfhousing.com
mwiese@pacifichousing.org

RE: CA-21-158 / Pacific Station South

Dear Jim Rendler:

Following your submission for the California Tax Credit Allocation Committee (CTCAC) second 2021 tax credit funding cycle, staff has reviewed your application for Federal Tax Credit established by the Consolidated Appropriations Act, 2021 (CAA) to determine its CAA total score. This review was performed only for scoring purposes: it does not verify application completeness, project eligibility, or the likelihood of funding. Initial scoring is as follows:

	<u>Points Requested</u>	<u>Points Awarded</u>
1. General Partner Experience	7	7
2. Management Experience	3	3
3. Housing Needs	10	10
4. Site Amenities	15	15
5. Service Amenities	10	10
6. Lowest Income	52	52
7. Readiness to Proceed	10	10
8. Miscellaneous Federal and State Policies	2	2
TOTAL	109	109

The proposed project in the application is not located in an FCAA or CAA disaster area fire perimeter, as designated by CAL FIRE, and therefore does not meet the First Tie Breaker requirement.

The proposed project does not include an enforceable financing commitment of at least \$1,000,000 from the State of California Department of Housing and Community Development (HCD). The financing for Local Housing Trust Fund does not meet the second tie breaker requirement as it is not a financing commitment directly from HCD. Therefore, the proposed project does not meet both of the Second Tie Breaker requirements.

CTCAC has calculated the Third Tie Breaker score and the score is **\$29,654.86**.

You may request further clarification about the tie breaker scoring by contacting staff by e-mail at cdoonan@treasurer.ca.gov. CTCAC staff is able to answer questions about the point and/or tie breaker reduction language in this letter but cannot provide guidance or discuss the merits of an appeal of the scoring reductions in this letter. You cannot appeal a reduction by contacting CTCAC staff. If you would like to formally appeal staff's scoring, you must do so in writing and email it to Anthony Zeto, Deputy Director at anthony.zeto@treasurer.ca.gov. Your formal appeal must specifically identify the grounds for the appeal based on the existing documentation submitted in your originally filed application and must be received by CTCAC no later than August 23, 2021. No fee is required for this appeal. You may not appeal any other applicant's score.

Point letters are being sent as the scoring is completed. Therefore, please do not contact Committee staff about other projects' scoring letters since individual letters will be sent later as the scores are determined. CTCAC will not score applications that are not fundable based upon self-scoring.

Please do not rely on this point score for a future application as point reductions may have been made in point categories that did not affect the net score received in the point category. If you have any questions regarding any possible point reductions that did not ultimately affect the point score, please contact Sopida Steinwert after the final awards have been made.

We appreciate your interest in the Tax Credit program and look forward to continuing to work with you to bring your project to fruition.

Sincerely,



Connie Harina
Development Program Manager

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Pacific Station South, located at 818, 820, 822 Pacific Ave, 325, 329 and Front Street in Santa Cruz, requested and is being recommended for a reservation of \$2,461,353 in annual federal tax credits to finance the new construction of 59 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 FTF Pacific Station and will be located in Senate District 17 and Assembly District 29.

Pacific Station South will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Local Housing Trust Fund program of HCD.

Project Number CA-21-158

Project Name Pacific Station South
Site Address: 818, 820, 822 Pacific Ave, 325, 329 Front Street
Santa Cruz, CA 95060 County: Santa Cruz
Census Tract: 1010.000

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$2,461,353	\$0
Recommended:	\$2,461,353	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Pacific Station South Investors, L.P.
Contact: Jim Rendler
Address: 950 S. Bascom Ave. # 1014
San Jose, CA 95128
Phone: (408)891-8303
Email: jrendler@ftfhousing.com

General Partner(s) / Principal Owner(s): FTF Pacific Station
Pacific Housing, Inc.
General Partner Type: Joint Venture
Parent Company(ies): FTF Pacific Station
Pacific Housing, Inc.
Developer: FTF Pacific Station
Investor/Consultant: Boston Financial
Management Agent(s): FPI Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 70
 No. & % of Tax Credit Units: 69 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / Section 8 Project-based Vouchers (47 units - 68%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Central Coast Region
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 20	25%
At or Below 40% AMI: 20	25%
At or Below 50% AMI: 19	25%
At or Below 60% AMI: 10	25%

Unit Mix

10 SRO/Studio Units
20 1-Bedroom Units
19 2-Bedroom Units
21 3-BedroomUnits
70 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2 SRO/Studio	60%	\$1,459
2 SRO/Studio	50%	\$1,216
4 SRO/Studio	40%	\$973
2 SRO/Studio	30%	\$729
2 1 Bedroom	60%	\$1,563
5 1 Bedroom	50%	\$1,303
6 1 Bedroom	40%	\$1,042
7 1 Bedroom	30%	\$781
3 2 Bedrooms	60%	\$1,876
7 2 Bedrooms	50%	\$1,563
2 2 Bedrooms	50%	\$1,563
3 2 Bedrooms	40%	\$1,251
3 2 Bedrooms	30%	\$938
3 3 Bedrooms	60%	\$2,169
3 3 Bedrooms	50%	\$1,807
7 3 Bedrooms	40%	\$1,446
8 3 Bedrooms	30%	\$1,084
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,417,125
Construction Costs	\$34,309,461
Rehabilitation Costs	\$0
Construction Contingency	\$2,001,973
Relocation	\$74,000
Architectural/Engineering	\$1,480,250
Const. Interest, Perm. Financing	\$3,157,297
Legal Fees	\$135,000
Reserves	\$399,386
Other Costs	\$2,019,366
Developer Fee	\$2,000,000
Commercial Costs	\$1,904,496
Total	\$48,898,354

Residential

Construction Cost Per Square Foot:	\$652
Per Unit Cost:	\$671,341
True Cash Per Unit Cost*:	\$670,601

Construction Financing

Source	Amount
Pacific Western Bank	\$36,000,000
Housing Trust Silicon Valley	\$5,000,000
HCD Local Housing Trust Fund	\$1,100,000
City of Santa Cruz	\$1,100,000
Costs Deferred During Constructon	\$1,435,635
Tax Credit Equity	\$4,262,719

Permanent Financing

Source	Amount
Pacific Western Bank	\$19,000,000
Housing Trust Silicon Valley	\$5,000,000
HCD- Local Housing Trust Fund	\$1,100,000
City of Santa Cruz	\$1,100,000
Deferred Developer Fee	\$53,910
Tax Credit Equity	\$22,644,444
TOTAL	\$48,898,354

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$21,037,201
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$27,348,361
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,461,353
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,000,000
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.92000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie-Breaker Information

First: **No**
Second: **No**
Third: **\$29,654.86**

Significant Information / Additional Conditions

The project has a cost of \$670,601 per unit. The applicant noted the cost is attributed to the project being an infill project, prevailing wages, impact fees, elevators, and type I and III construction types.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a neighborhood market of at least 5,000 sf	3	3	3
Within 1 mile of a public high school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

AGENDA ITEM 6

Recommendation for Reservation of
2021 Consolidated Appropriations Act
("CAA") Federal
Nine Percent (9%) Low Income
Housing Tax Credits (LIHTCs)

2021 Second Round Preliminary Recommendations for Consolidated Appropriations Act, 2021 ("CAA") Federal Credit - REVISED
September 29, 2021

Funding Order	Point Score	First Tie Breaker	Second Tie Breaker	Third Tie Breaker Score	Project Number	Project Name	Project City	Housing Type	CAA Federal Credit
<u>BUTTE COUNTY</u>						County Credit Available			
						\$17,261,698			
1	109.00	Yes	No	\$23,960.00	CA-21-159	Paradise Gardens III	Paradise	Seniors	\$1,119,901
2	109.00	No	Yes	\$22,399.57	CA-21-138	Sunrise Village Senior Apartments	Gridley	Seniors	\$834,384
3	109.00	No	No	\$30,243.48	CA-21-093	Mono Apartments	Oroville	Large Family	\$1,739,000
4	109.00	No	No	\$31,119.95	CA-21-134	Deer Creek Apartments II	Chico	Large Family HR	\$1,874,977
5	109.00	No	No	\$31,839.22	CA-21-140	Riverbend Family Apartments II	Oroville	Large Family	\$2,005,871
6	109.00	No	No	\$32,634.66	CA-21-075	Tonea Senior Apartments	Chico	Seniors	\$3,361,370
7	109.00	No	No	\$36,188.47	CA-21-141	Mitchell Avenue Senior Apartments II	Oroville	Seniors	\$1,320,879
8	109.00	No	No	\$36,392.13	CA-21-092	Olive Ranch Senior Apartments	Oroville	Seniors	\$1,892,391
9	109.00	No	No	\$39,044.22	CA-21-121	North Creek Crossings at Meriam Park (Phase 2)	Chico	Large Family HR	\$2,615,963
									<u>\$16,764,736</u>
									Remaining Balance in County
									\$496,962
<u>SANTA CRUZ COUNTY</u>						County Credit Available			
						\$12,058,293			
10	109.00	No	Yes	\$28,203.57	CA-21-111	1482 Freedom	Watsonville	Large Family	\$1,840,283
11	109.00	No	Yes	\$34,178.05	CA-21-127	1500 Capitola Road Housing	Unincorporated	Large Family	\$2,298,474
12	109.00	No	Yes	\$38,047.86	CA-21-169	Miles Lane	Watsonville	Large Family	\$3,154,168
13	109.00	No	Yes	\$39,242.07	CA-21-160	Pippin Phase II	Watsonville	Large Family	\$3,796,670
									<u>\$11,089,595</u>
									Remaining Balance in County
									\$968,698
<u>NAPA COUNTY</u>						County Credit Available			
						\$9,395,477			
14	109.00	No	Yes	\$33,456.24	CA-21-124	Heritage House & Valle Verde	Napa	Special Needs	\$2,883,928
15	109.00	No	No	\$28,905.02	CA-21-157	Lincoln Avenue Apartments	Calistoga	Large Family	\$2,659,262
16	109.00	No	No	\$42,128.29	CA-21-183	Napa Cove Apartments	American Canyon	Large Family	\$3,433,456
									<u>\$8,976,646</u>
									Remaining Balance in County
									\$418,831

2021 Second Round Preliminary Recommendations for Consolidated Appropriations Act, 2021 ("CAA") Federal Credit - REVISED
September 29, 2021

NORTH REGION

Region Credit Available
\$8,714,494

17	109.00	No	Yes	\$17,078.84	CA-21-089	Center of Hope Apartments	Redding	Large Family	\$1,029,000
18	109.00	No	No	\$29,901.48	CA-21-091	Burney Commons	Burney	Large Family	\$1,091,404
19	109.00	No	No	\$32,377.71	CA-21-102	Live Oak Redding	Redding	Large Family	\$1,699,830
20	109.00	No	No	\$32,502.14	CA-21-116	Woodland	Woodland	Large Family	\$2,884,565
									<u>\$6,704,799</u>
									Remaining Balance in Region
									<u>\$2,009,695</u>

FRESNO COUNTY

County Credit Available
\$8,609,728

21	109.00	No	Yes	\$12,368.64	CA-21-136	Coalinga Pacific Apartments	Coalinga	Large Family	\$1,317,260
22	109.00	No	Yes	\$12,622.98	CA-21-090	Warthan Place Apartments II	Coalinga	Large Family	\$1,338,036
23	109.00	No	Yes	\$17,378.86	CA-21-065	Valley Village Apartments	Huron	Large Family	\$1,677,060
24	109.00	No	Yes	\$24,039.18	CA-21-099	Corazón del Valle Commons	Huron	Large Family	\$1,959,193
25	109.00	No	No	\$19,084.94	CA-21-087	Sarah's Court	Fresno	Large Family HR	\$2,695,748
									<u>\$6,291,549</u>
									Remaining Balance in County
									<u>\$2,318,179</u>

SONOMA COUNTY

County Credit Available
\$8,408,925

26	109.00	Yes	No	\$56,658.05	CA-21-175	3575 Mendocino Avenue Phase II	Santa Rosa	Seniors	\$2,096,348
27	109.00	No	Yes	\$45,279.98	CA-21-104	414 Petaluma	Petaluma	Large Family	\$2,311,543
28	109.00	No	No	\$22,128.35	CA-21-132	Baumgardner Terrace	Cloverdale	Large Family	\$2,627,741
									<u>\$7,035,632</u>
									Remaining Balance in County
									<u>\$1,373,293</u>

SOUTH REGION

Region Credit Available
\$7,553,332

29	109.00	No	No	\$13,727.99	CA-21-126	Fourth Corner Apartments	San Diego	Large Family	\$1,338,479
30	109.00	No	No	\$21,129.29	CA-21-161	Pioneer Apartments	Porterville	Large Family	\$1,769,578
31	109.00	No	No	\$22,525.19	CA-21-130	Madera Place	Madera	Large Family	\$962,952
32	109.00	No	No	\$27,587.46	CA-21-144	Magnolia Place Senior Apartments II	Greenfield	Seniors	\$924,180
33	109.00	No	No	\$27,810.71	CA-21-128	Rialto Metrolink South	Rialto	Large Family	\$1,835,507
									<u>\$6,830,696</u>
									Remaining Balance in Region
									<u>\$722,636</u>

2021 Second Round Preliminary Recommendations for Consolidated Appropriations Act, 2021 ("CAA") Federal Credit - REVISED
September 29, 2021

<u>RURAL</u>				Region Credit Available						
				\$6,741,391						
34	109.00	No	No	\$27,642.51	CA-21-131	Kelseyville Terrace	Kelseyville	Large Family HR	\$2,349,613	
35	109.00	No	No	\$28,708.53	CA-21-080	Siskiyou Crossroads	Yreka	Special Needs	\$1,524,423	
36	109.00	No	No	\$29,496.74	CA-21-066	Oak Valley Villas	Clearlake	Large Family	\$2,979,171	
									\$6,853,207	
									Remaining Balance in Region	(\$111,816)
									Total Annual CAA Federal Credit	\$70,546,860

The information presented here is preliminary and is made available for informational purposes only. The information is not binding on the Committee or its staff. It does not represent any final decision of the Committee and should not be relied upon as such. Interested parties are cautioned that any action taken in reliance on the preliminary information is taken at the parties' own risk as the information presented is subject to change at any time until formally adopted by the Committee at a duly noticed meeting.

PRELIMINARY

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-065	Valley Village Apartments Between 12th & 13th Streets, bordering Fresno Street Huron, CA 93234 County of Fresno	WP Valley Village Apartments LP Amelia Ross	Central Valley Coalition for Affordable Christina Alley WP Valley Village LLC Amelia Ross	Willow Partners LLC Amelia Ross	City of Huron Jack Castro	Citi Community Capitol HCD - Joe Serna Jr.
CA-21-066	Oak Valley Villas 14795 Burns Valley Road Clearlake, CA 95422 County of Lake	Clearlake Burns Valley Road LP Chris Dart	Johnson & Johnson Investments, LLC Daniel J. Johnson Community Revitalization and Development Corporation David Rutledge Danco Communities Daniel J. Johnson	Danco Communities Hailey Del Grande	City of Clearlake Alan Flora	Pacific Western Bank CDBG - DR
CA-21-075	Tonea Senior Apartments 184 Tonea Way Chico, CA 95973 County of Butte	Tonea Senior, L.P. Maurice Ramirez	Domus GP LLC Maurice Ramirez Spectrum GP LLC Daniel Kim	Domus Development, LLC Maurice Ramirez	Ramar Investments LLC Kevin Kramer	Citibank, N.A.
CA-21-080	Siskiyou Crossroads 510 N. Foothill Dr Yreka, CA 96097 County of Siskiyou	Rural Communities Housing Development Ryan LaRue	Rural Communities Housing Ryal LaRue	Rural Communities Housing Ryan LaRue	County of Siskiyou Ray A. Haupt	JP Morgan Chase Bank NA County of Siskiyou HHAP County of Siskiyou Partnership Health County of Siskiyou MHSA County of Siskiyou PLHA HCD - NPLH
CA-21-089	Center of Hope Apartments 1201 Industrial St. Redding, CA 96002 County of Shasta	Center of Hope Apartments, LP Daniel Knott	Community Revitalization and Development Corporation David Rutledge Center of Hope Apartments, LLC Daniel Knott	ADK Properties LLC Daniel Knott	The McConnell Foundation John Mancasola	Citi Community Capital HCD-MHP HCD-NPLH
CA-21-090	Warthan Place Apartments II South of Tache Way at Warthan Coalinga, CA 93210 County of Fresno	Warthan Place Apartment Investors II, L.P. Cyrus Youssefi	Cyrus Youssefi Egis Group, Inc. John Cicerone Community Revitalization and Development Corporation David Rutledge	C.F.Y. Development, Inc. Cyrus Youssefi Egis Group, Inc. John Cicerone	Bennett Hill Investors, LP Cyrus Youssefi & John Cicerone	Bonneville Mortgage Company HCD - Joe Serna Jr

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-091	Burney Commons Bainbridge Drive Burney, CA 96013 County of Shasta	ADK Properties, LLC Daniel Knott	ADK Properties, LLC Daniel Knott Community Revitalization & Development Corporation David Rutledge Northern Valley Catholic Social Service, Inc. Bobbi Sawtelle	ADK Properties LLC Daniel Knott	Northern Valley Catholic Social Service, Inc. Bobbi Sawtelle	Citi Community Capital Partnership Healthplan of California
CA-21-092	Olive Ranch Senior Apartments Corner of Table Mountain Blvd & Rio Vista Drive Oroville, CA 95965 County of Butte	K&M Butte Developers LLC Daniel Knott	Community Revitalization & Development Corporation David Rutledge Olive Ranch Senior Apartments LLC Daniel Knott	ADK Properties LLC Daniel Knott	Chuck Tatreau Chuck Tatreau	Citi Community Capital
CA-21-093	Mono Apartments 122 Mono Avenue Oroville, CA 95965 County of Butte	K&M Butte Developers LLC Daniel Knott	Mono Apartments LLC Daniel Knott Community Revitalization and Development Corporation David Rutledge	ADK Properties LLC Daniel Knott	Donald R. Dozier Donald R. Dozier	Citi Community Capital
CA-21-099	Corazón del Valle Commons SW and SE Corners of 12 Street and Fresno Street Huron, CA 93234 County of Fresno	Silvercrest, Inc. Angelina Nguyen	Huron Corazón del Valle Commons Michael Duarte Silvercrest, Inc. Angelina Nguyen	Housing Authority of Fresno County, Michael Duarte	Housing Authority of Fresno County Angelina Nguyen	US Bank Housing Authority of Fresno County HCD MHP
CA-21-102	Live Oak Redding 1320 & 1358 Old Alturas Road Redding, CA 96003 County of Shasta	ADK Properties, LLC Daniel Knott	ADK Properties, LLC Daniel Knott Community Revitalization and Development Corporation David Rutledge	ADK Properties LLC Daniel Knott	Omni Financial, LLC Martin Boone	Citibank N.A.
CA-21-104	414 Petaluma 414 Petaluma Boulevard North Petaluma, CA 94952 County of Sonoma	MP 414 Petaluma Associates, LP Jan M. Lindenthal	MP 414 Petaluma LLC Jan M. Lindenthal	MidPen Housing Corporation Riley Weissenborn	Jay J. Palm and Carleen E. Palm as Trustees of the Jay J. Palm and Carleen E. Palm Revocable Living Trust Jay J. Palm & Carleen E. Palm	JP Morgan Chase City of Petaluma In-Lieu + HOME Sonoma County CDC Permanent Local Housing Allocation 2020 Sonoma County CDC County Funding For Housing 2019 HCD - Joe Serna Jr. HCD - NPLH
CA-21-111	1482 Freedom 1482 Freedom Boulevard Watsonville, CA 95076 County of Santa Cruz	Eden Investments, Inc. Max Heninger	Eden Freedom LLC Max Heninger	Eden Investments Inc Max Heninger	AMG & Associates, LLC Alexis M. Gevorgian	JP Morgan Chase HCD - Joe Serna Jr. City of Watsonville - Successor Agency Housing Fund NPLH

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-116	Woodland 310 West Main Street Woodland, CA 95695 County of Yolo	Chelsea Investment Corporation Cheri Hoffman	Pacific Southwest Community Robert W. Laing Chelsea Investment Corporation Cheri Hoffman	Chelsea Investment Corporation Cheri Hoffman	YKI Investments, LLC Dan Mezger Jr.	Citibank
CA-21-121	North Creek Crossings at Meriam Park (Phase 2) Notre Dame Blvd, south of Humboldt Road and north of Little Chico Creek Chico, CA 95928 County of Butte	Central California Housing Corporation Laurie Doyle	Central California Housing Corporation Laurie Doyle Butte County Affordable Housing Edward S. Mayer	Central California Housing Corporation Laurie Doyle	MPNorthFork, LLC Dan Gonzales Chico North Creek, LP Austin Herzog Edward S. Mayer	Wells Fargo Bank City of Chico Affordable Housing Funds City of Chico HOME Funds Berkadia
CA-21-124	Heritage House & Valle Verde 3700 and 3710 Valle Verde Drive Napa, CA 94558 County of Napa	Burbank Housing Development Jocelyn Lin	Burbank Housing Development Jocelyn Lin Allied Housing, Inc. Jon White	Burbank Housing Development Jocelyn Lin	The Gasser Foundation Nancy Watt	US Bank CDBG-DR City of Napa - HTF HCD NPLH
CA-21-126	Fourth Corner Apartments 4021, 4029, 4035, 4037, 4061 Fairmount Ave. San Diego, CA 92105 County of San Diego	Wakeland Price Fourth Corner LP Peter Armstrong	Wakeland Price Fourth Corner LLC Peter Armstrong	Wakeland Housing & Development Corporation Kenneth L. Sauder	City Heights Realty LLC Jeffrey Fisher	US Bank
CA-21-127	1500 Capitola Road Housing 1412-1514 Capitola Road Santa Cruz, CA 95062 County of Santa Cruz	MP Live Oak Associates, L.P. Jan M. Lindenthal	MP Live Oak LLC Jan M. Lindenthal	MidPen Housing Corporation Ashley Schweickart	Santa Cruz County Redevelopment Successor Agency Carlos Palacios	Wells Fargo County of Santa Cruz CCAH Medi-Cal Capacity Grant California Community Reinvestment Corporation HCD NPLH
CA-21-128	Rialto Metrolink South North side of W. Bonnie View Drive, between S. Riverside Avenue and S. Willow Avenue Rialto, CA 92376 County of San Bernardino	Rialto Metrolink South Housing Partners, Frank Cardone	Related/Rialto Metrolink South Development Co., LLC Frank Cardone CORE Rialto Metro South MGP, LLC Lesley Hampton HPI Rialto, LLC Anthony Perez	Related Development Company of California, LLC Frank Cardone	The Rialto Housing Authority Marcus Fuller	Wells Fargo Bank, N.A. Rialto Housing Authority California Community Reinvestment Corporation County of San Bernardino HOME
CA-21-130	Madera Place east of Stadium Road and south of Milan Lane Madera, CA 93637 County of Madera	Madera 2, L.P., a California limited partnership Lori Koester	Corporation for Better Housing Lori Koester	Corporation for Better Housing Lori Koester	Corporation for Better Housing Lori Koester	Pacific Western Bank
CA-21-131	Kelseyville Terrace 5400 Gaddy Lane Kelseyville, CA 95451 County of Lake	Kelseyville 2, L.P., a California limited partnership Lori Koester	Corporation for Better Housing Lori Koester	Corporation for Better Housing Lori Koester	5400 Gaddy Ln., L.P. Lori Koester	Pacific Western Bank

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-132	Baumgardner Terrace 28195 Highway 101, south of Highway 101 and immediately southeast of Sandholm Lane Cloverdale, CA 95425 County of Sonoma	28100 Highway 101, L.P., a California limited partnership Lori Koester	Corporation for Better Housing Lori Koester Integrated Community Development, Benjamin Lingo	Corporation for Better Housing Lori Koester	Integrated Community Development, LLC Benjamin Lingo	Pacific Western Bank
CA-21-134	Deer Creek Apartments II Native Oak Drive, east of Bruce Road Chico, CA 95928 County of Butte	Chico Pacific Associates III, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Butte County Affordable Housing Development Corporation Edward S. Mayer	Pacific West Communities, Inc. Caleb Roope	Lendco, LLC Pat Laughlin	California Bank & Trust
CA-21-136	Coalinga Pacific Apartments SE Corner of Pacific Avenue & Elm Avenue Coalinga, CA 93210 County of Fresno	Coalinga Family Associates, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Central Valley Coalition for Affordable Housing Christina Alley	Pacific West Communities, Inc. Caleb Roope	City of Coalinga Marissa Trejo	California Bank & Trust HCD - AHSC
CA-21-138	Sunrise Village Senior Apartments 1470 Highway 99 Gridley, CA 95948 County of Butte	Gridley Senior Associates, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Butte County Affordable Housing Development Corporation Edward S. Mayer	Pacific West Communities, Inc. Caleb Roope	AMG & Associates, LLC Alexis Gevorgian	California Bank & Trust City of Gridley - CDBG HCD - MHP
CA-21-140	Riverbend Family Apartments II 223 Table Mountain Boulevard Oroville, CA 95965 County of Butte	Oroville Family Associates II, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Butte County Affordable Housing Development Corporation Edward S. Mayer	Pacific West Communities, Inc. Caleb Roope	AMG & Associates, LLC Alexis Gevorgian	California Bank & Trust
CA-21-141	Mitchell Avenue Senior Apartments 660 Mitchell Avenue Oroville, CA 95965 County of Butte	Oroville Senior Associates II, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Butte County Affordable Housing Development Corporation Edward S. Mayer	Pacific West Communities, Inc. Caleb Roope	Affordable Housing Land Consultants, LLC Alexis Gevorgian	California Bank & Trust
CA-21-144	Magnolia Place Senior Apartments 12th Street, north of Elm Street Greenfield, CA 93927 County of Monterey	Greenfield Senior Associates II, a California Limited Partnership Caleb Roope	TPC Holdings IX, LLC Caleb Roope Central Valley Coalition for Affordable Housing Christina Alley	Pacific West Communities, Inc. Caleb Roope	City of Greenfield Paul Wood	California Bank & Trust
CA-21-157	Lincoln Avenue Apartments 1855 Lincoln Ave Calistoga, CA 94515 County of Napa	Calistoga Apartments Investors, L.P. Jim Rendler	FTF Calistoga, LLC Jim Rendler Pacific Housing, Inc. Mark Wiese	FTF Calistoga, LLC Jim Rendler	Act Enterprises, L.P., Jag Judy, L.P.	Pacific Western Bank

Application Number	Project Name Address City, State Zip Code County	Applicant/Owner Applicant/Owner Contact(s)	General Partner(s) General Partner(s) Contact(s)	Developer(s) Developer(s) Contact(s)	Seller(s) Signatory of Seller(s)	Lender(s) (First Lender is Primary Construction Lender)
CA-21-159	Paradise Gardens 1040 Buschmann Road Paradise, CA 95969 County of Butte	Impact Development Group LLC Cynthia Michels	IDG Paradise Gardens, LLC Cynthia Michels NHC MGP I LLC Meghan Birnkrant	Impact Development Group LLC Cynthia Michels	Foothill Income Properties Limited Elmo West	JP Morgan Chase
CA-21-160	Pippin Phase II Brewington Avenue Watsonville, CA 95076 County of Santa Cruz	Mid-Peninsula San Carlos Corporation Jan M. Lindenthal	MP Berry Farms LLC Jan M. Lindenthal	MidPen Housing Corporation Luis Preciado	Lamb Family Trust & Kirk Mickley Saunders Kirk Saunders, Marvel Jensen and David Beck	Union Bank County of Santa Cruz HCD - Joe Serna, Jr.
CA-21-161	Pioneer Apartments 1085 Pioneer Avenue Porterville, CA 93257 County of Tulare	Chelsea Invesment Corporation Cheri Hoffman	Chelsea Investment Corporation Cheri Hoffman Pacific Southwest Community Development Corporation Robert Laing	Chelsea Investment Corporation Cheri Hoffman	Hanford Crossing LLC Donald Dickson	Citibank
CA-21-169	Miles Lane 139, 141 Miles Lane Watsonville, CA 95076 County of Santa Cruz	Mid-Peninsula The Farm, Inc. Jan M. Lindenthal	MP Miles Lane LLC Jan M. Lindenthal	Mid-Peninsula The Farm, Inc. Jan M. Lindenthal	Michael Marchisio / Namyar & Shireen Dinyari Michael Marchisio / Namyar & Shireen Dinyari	Union Bank City of Watsonville HCD - Joe Serna, Jr. HCD - NPLH
CA-21-175	3575 Mendocino Avenue Phase II 3575 Mendocino Avenue Santa Rosa, CA 95403 County of Sonoma	BRJE Phase 2 Housing Partners, L.P. Ann Silverberg	Related/BRJE Phase 2 Development Co., LLC Ann Silverberg BHDC Mendocino II, LLC Lawrence Florin	Related Development Company of California, LLC Ann Silverberg	BRJE Housing Partners, LP Ann Silverberg	US Bank
CA-21-183	Napa Cove Apartments 3805 Broadway American Canyon, CA 94503 County of Napa	CRP Napa Cove Apartments LP Paul Salib	CRP Napa Cove Apartments AGP LLC Paul Salib Pacific Southwest Community Development Corporation Robert W Laing	CRP Affordable Housing and Community Development LLC Paul Salib	D'Ambrosio Brothers Investment Company Frank D'Ambrosio	Citibank

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Valley Village Apartments, located at 12th & 13th Streets in Huron, requested and is being recommended for a reservation of \$1,677,060 in annual federal tax credits to finance the new construction of 71 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 Willow Partners LLC and will be located in Senate District 12 and Assembly District 31.

The project financing includes state funding from Joe Serna, Jr. FWHG program of HCD.

Project Number CA-21-065

Project Name Valley Village Apartments
Site Address: 12th & 13th Streets
Huron CA 93234 County: Fresno
Census Tract: 78.020

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,677,060	\$0
Recommended:	\$1,677,060	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: WP Valley Village Apartments LP
Contact: Amelia Ross
Address: 310 N. Westlake Blvd., Ste. 210
Westlake Village CA 91362
Phone: 805-379-8555
Email: aross@willowpartners.com

General Partner(s) / Principal Owner(s): Central Valley Coalition for Affordable Housing
WP Valley Village LLC

General Partner Type: Joint Venture
Parent Company(ies): Central Valley Coalition for Affordable Housing
Willow Partners LLC

Developer: Willow Partners LLC
Investor/Consultant: City Real Estate Advisors, Inc.
Management Agent(s): Buckingham Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 5
Total # of Units: 72
No. & % of Tax Credit Units: 71 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	10%
At or Below 40% AMI: 11	15%
At or Below 50% AMI: 36	40%
At or Below 60% AMI: 16	20%

Unit Mix

40 2-Bedroom Units
<u>32 3-Bedroom Units</u>
72 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 2 Bedrooms	30%	\$471
11 2 Bedrooms	40%	\$628
18 2 Bedrooms	50%	\$785
7 2 Bedrooms	60%	\$942
4 3 Bedrooms	30%	\$543
18 3 Bedrooms	50%	\$906
9 3 Bedrooms	60%	\$1,087
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1
Construction Costs	\$18,582,001
Rehabilitation Costs	\$0
Construction Contingency	\$1,100,000
Relocation	0
Architectural/Engineering	\$800,000
Const. Interest, Perm. Financing	\$1,442,006
Legal Fees	\$170,000
Reserves	\$140,264
Other Costs	\$2,397,713
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$26,831,985

Residential

Construction Cost Per Square Foot:	\$211
Per Unit Cost:	\$372,666
True Cash Per Unit Cost*:	\$372,666

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citi Community Capitol	\$11,800,000	Citi Community Capitol	\$2,600,000
HCD - Joe Serna Jr.	\$8,000,000	HCD - Joe Serna Jr.	\$10,000,000
Deferred Developer Fee	\$1,000,000	Tax Credit Equity	\$14,231,985
Tax Credit Equity	\$6,031,985	TOTAL	\$26,831,985

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$26,010,112
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$33,813,146
Applicable Rate:	9.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,677,060
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	City Real Estate Advisors, Inc.
Federal Tax Credit Factor:	\$0.84863

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$17,378.86

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ¾ mile of a public elementary school	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Oak Valley Villas, located at 14795 Burns Valley Road in Clearlake, requested and is being recommended for a reservation of \$2,979,171 in annual federal tax credits to finance the new construction of 79 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 Danco Communities and will be located in Senate District 2 and Assembly District 4.

Project Number CA-21-066

Project Name Oak Valley Villas
Site Address: 14795 Burns Valley Road
Clearlake, CA 95422 County: Lake
Census Tract: 7.010

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,979,171	\$0
Recommended:	\$2,979,171	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Clearlake Burns Valley Road LP
Contact: Chris Dart
Address: 5251 Ericson Way
Arcata, CA 95521
Phone: 707-825-1531
Email: cdart@danco-group.com

General Partner(s) / Principal Owner(s): Johnson & Johnson Investments, LLC
Community Revitalization and Development Corp.
Danco Communities

General Partner Type: Joint Venture

Parent Company(ies): Johnson & Johnson Investments, LLC
Community Revitalization and Development Corp.
Danco Communities

Developer: Danco Communities

Investor/Consultant: Raymond James

Management Agent(s): Danco Property Management

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 5
 Total # of Units: 80
 No. & % of Tax Credit Units: 79 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: CDBG - DR

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Rural
 TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	10%
At or Below 40% AMI: 16	20%
At or Below 50% AMI (Rural): 25	30%
At or Below 60% AMI: 30	40%

Unit Mix

20 1-Bedroom Units
 36 2-Bedroom Units
 18 3-BedroomUnits
 6 4-Bedroom Units

 80 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$392
5 1 Bedroom	40%	\$523
5 1 Bedroom	50%	\$653
8 1 Bedroom	60%	\$784
3 2 Bedrooms	30%	\$471
7 2 Bedrooms	40%	\$628
13 2 Bedrooms	50%	\$785
13 2 Bedrooms	60%	\$820
2 3 Bedrooms	30%	\$543
3 3 Bedrooms	40%	\$725
5 3 Bedrooms	50%	\$906
7 3 Bedrooms	60%	\$1,087
1 4 Bedrooms	30%	\$606
1 4 Bedrooms	40%	\$809
2 4 Bedrooms	50%	\$1,011
2 4 Bedrooms	60%	\$1,213
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,500,000
Construction Costs	\$24,527,424
Rehabilitation Costs	\$0
Construction Contingency	\$1,382,990
Relocation	\$0
Architectural/Engineering	\$905,661
Const. Interest, Perm. Financing	\$1,153,646
Legal Fees	\$115,000
Reserves	\$197,258
Other Costs	\$1,987,560
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$33,969,539

Residential

Construction Cost Per Square Foot:	\$313
Per Unit Cost:	\$424,619
True Cash Per Unit Cost*:	\$405,869

Construction Financing

Source	Amount
Pacific Western Bank	\$22,355,347
CDBG - Disaster Recovery	\$3,000,000
Tax Credit Equity	\$8,614,191

Permanent Financing

Source	Amount
Pacific Western Bank	\$3,690,631
Land Donation	\$1,500,000
CDBG - Disaster Recovery	\$3,000,000
Solar Tax Credit Equity	\$158,040
Tax Credit Equity	\$25,620,868
TOTAL	\$33,969,539

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$25,462,998
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$33,101,897
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,979,171
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.86000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$29,497

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 project. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

This Project's annual per unit operating expense total is below the TCAC published per unit operating minimums of \$5,100. As allowed by CTCAC Regulation Section 10327(g), the Committee shall allow initial applicants to correct cash flow shortages or overages up to the higher of \$25,000 or 0.5% of gross income at placed in service.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Clearlake, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 and 3/4 mile of a public elementary school	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Tonea Senior Apartments, located at 184 Tonea Way in Chico, requested and is being recommended for a reservation of \$3,361,370 in annual federal tax credits to finance the new construction of 103 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Domus Development, LLC and will be located in Senate District 3 and Assembly District 4.

Project Number CA-21-075

Project Name Tonea Senior Apartments
Site Address: 184 Tonea Way
Chico, CA 95973 County: Butte
Census Tract: 3.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$3,361,370	\$0
Recommended:	\$3,361,370	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Tonea Senior, L.P.
Contact: Maurice Ramirez
Address: 9 Cushing, Suite 200
Irvine, CA 92618
Phone: (213) 232-1186
Email: maurice@domusd.com

General Partner(s) / Principal Owner(s): Domus GP LLC
Spectrum GP LLC

General Partner Type: Joint Venture

Parent Company(ies): Domus Development, LLC
Spectrum Affordable Housing Corporation

Developer: Domus Development, LLC

Investor/Consultant: Alliant Capital, Ltd.

Management Agent(s): Domus Management Company

Project Information

Construction Type: New Construction

Total # Residential Buildings: 7

Total # of Units: 104

No. & % of Tax Credit Units: 103 100%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 11	10%
At or Below 40% AMI: 26	25%
At or Below 50% AMI: 25	20%
At or Below 60% AMI: 41	45%

Unit Mix

103 1-Bedroom Units
<u>1 2-Bedroom Units</u>
104 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
11 1 Bedroom	30%	\$392
26 1 Bedroom	40%	\$522
25 1 Bedroom	50%	\$653
41 1 Bedroom	60%	\$784
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,143,000
Construction Costs	\$20,467,997
Rehabilitation Costs	\$0
Construction Contingency	\$1,072,860
Relocation	\$45,000
Architectural/Engineering	\$716,085
Const. Interest, Perm. Financing	\$1,929,511
Legal Fees	\$45,000
Reserves	\$154,792
Other Costs	\$3,002,504
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$31,776,749

Residential

Construction Cost Per Square Foot:	\$252
Per Unit Cost:	\$305,546
True Cash Per Unit Cost*:	\$302,212

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank, N.A.	\$23,104,123	Citibank, N.A.	\$1,850,000
Deferred Developer Fee	\$1,735,483	Deferred Developer Fee	\$346,696
Tax Credit Equity	\$6,556,351	Tax Credit Equity	\$29,580,053
		TOTAL	\$31,776,749

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$28,822,497
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$37,469,246
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$3,361,370
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Alliant Capital, Ltd.
Federal Tax Credit Factor:	\$0.88000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie-Breaker Information

First:	No
Second:	No
Third:	\$32,634.66

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the City of Chico, has completed a site review of this project and supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within 1 mile of a pharmacy	1	1	1
In-unit high speed internet service	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Siskiyou Crossroads, located at 510 N Foothill Drive in Yreka, requested and is being recommended for a reservation of \$1,524,423 in annual federal tax credits to finance the new construction of 49 units of housing serving special needs tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Rural Communities Housing Development Corporation and will be located in Senate District 1 and Assembly District 1.

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

Project Number CA-21-080

Project Name Siskiyou Crossroads
Site Address: 510 N Foothill Drive
Yreka CA, 96097 County: Siskiyou
Census Tract: 7.020

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,524,423	\$0
Recommended:	\$1,524,423	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Rural Communities Housing Development Corporation
Contact: Ryan LaRue
Address: 499 Leslie Street
Ukiah CA 95482
Phone: 707-463-1975
Email: rlarue@rchdc.org

General Partner(s) / Principal Owner(s): Rural Communities Housing Development Corporation
General Partner Type: Nonprofit
Parent Company(ies): Rural Communities Housing Development Corporation
Developer: Rural Communities Housing Development Corporation
Investor/Consultant: Community Economics, Inc.
Management Agent(s): Rural Communities Housing Development Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 50
No. & % of Tax Credit Units: 49 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: Rural
Housing Type: Special Needs At least 20% 1BR units and 10% larger than 1BR units
Type of Special Needs:
Average Targeted Affordability of Special Needs/SRO Project Units: 42.45%
% of Special Need Units: units 48.00%
Geographic Area: N/A
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 24	45%
At or Below 50% AMI: 14	25%
At or Below 60% AMI: 11	20%

Unit Mix

9 SRO/Studio Units
20 1-Bedroom Units
20 2-Bedroom Units
1 3-Bedroom Units
50 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
9 SRO/Studio	30%	\$244
11 1 Bedroom	30%	\$261
5 1 Bedroom	50%	\$575
4 1 Bedroom	60%	\$575
4 2 Bedrooms	30%	\$314
9 2 Bedrooms	50%	\$735
7 2 Bedrooms	60%	\$735
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$287,000
Construction Costs	\$12,820,045
Rehabilitation Costs	\$0
Construction Contingency	\$1,061,503
Relocation	\$0
Architectural/Engineering	\$942,660
Const. Interest, Perm. Financing	\$1,091,064
Legal Fees	\$90,000
Reserves	\$432,160
Other Costs	\$863,948
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$19,788,381

Residential

Construction Cost Per Square Foot:	\$353
Per Unit Cost:	\$395,768
True Cash Per Unit Cost*:	\$383,865

Construction Financing

Source	Amount
JP Morgan Chase Bank	\$14,640,345
County HHAP	\$230,809
County Partnership Health Plan	\$560,000
County MHSA	\$630,455
County PLHA	\$142,120
General Partner Equity	\$1,000
Tax Credit Equity	\$1,341,492

Permanent Financing

Source	Amount
HCD - NPLH (Competitive)	\$3,873,922
HCD - NPLH (Non -Competitive)	\$500,000
County HHAP	\$230,809
County Partnership Health Plan	\$560,000
County MHSA	\$630,455
County PLHA	\$142,120
Deferred Developer Fee	\$595,153
General Partner Equity	\$1,000
Tax Credit Equity	\$13,254,922
TOTAL	\$19,788,381

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$13,029,260
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$16,938,037
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,524,423
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Community Economics, Inc.
Federal Tax Credit Factor:	\$0.86950

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$28,708.53

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a neighborhood market of at least 5,000 sf	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Health/behavioral services provided by licensed org. or individual	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Center of Hope Apartments, located at 1201 Industrial Street in Redding, requested and is being recommended for a reservation of \$1,029,000 in annual federal tax credits to finance the new construction of 47 units of housing serving large families with rents affordable to households earning 15-50% of area median income (AMI). The project will be developed by ADK Properties LLC and will be located in Senate District 1 and Assembly District 1.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-089

Project Name Center of Hope Apartments
Site Address: 1201 Industrial St.
Redding, CA 96002 County: Shasta
Census Tract: 103.000

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$1,029,000	\$0
Recommended:	\$1,029,000	\$0

*Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Center of Hope Apartments, LP
Contact: Daniel Knott
Address: 1011 Parkview Avenue, Suite A
Redding, CA 96001
Phone: (530) 244-0595
Email: dknott@k2dci.com

General Partner(s) / Principal Owner(s): Community Revitalization and Development Corporation
Center of Hope Apartments, LLC
General Partner Type: Joint Venture
Parent Company(ies): Community Revitalization and Development Corporation
ADK Properties LLC
Developer: ADK Properties LLC
Investor/Consultant: Raymond James
Management Agent(s): FPI Management

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 2
 Total # of Units: 49
 No. & % of Tax Credit Units: 48 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project-based Vouchers (29 units - 60%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Northern Region
 TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 20% AMI: 19	39%
At or Below 30% AMI: 17	35%
At or Below 50% AMI: 12	25%

Unit Mix

12 1-Bedroom Units
 24 2-Bedroom Units
 13 3-Bedroom Units

 49 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 1 Bedroom	15%	\$199
5 1 Bedroom	20%	\$266
7 2 Bedrooms	20%	\$319
8 2 Bedrooms	30%	\$479
8 2 Bedrooms	50%	\$798
5 3 Bedrooms	25%	\$461
4 3 Bedrooms	30%	\$553
4 3 Bedrooms	50%	\$923
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$594,624
Construction Costs	\$14,942,373
Rehabilitation Costs	\$0
Construction Contingency	\$917,199
Relocation	\$0
Architectural/Engineering	\$493,874
Const. Interest, Perm. Financing	\$1,193,174
Legal Fees	\$241,999
Reserves	\$572,062
Other Costs	\$801,403
Developer Fee	\$2,200,000
Commercial Costs	\$204,941
Total	\$22,161,649

Residential

Construction Cost Per Square Foot:	\$341
Per Unit Cost:	\$447,469
True Cash Per Unit Cost*:	\$447,127

Construction Financing

Source	Amount
Citi	\$18,099,127
Deferred Reserves	\$572,062
Deferred Developer Fee	\$1,700,000
Tax Credit Equity	\$1,790,460

Permanent Financing

Source	Amount
Citi	\$2,630,864
HCD - MHP	\$6,901,453
HCD - NPLH	\$2,534,895
HCD - NPLH	\$889,538
Deferred Developer Fee	\$16,918
GP Loan - Commercial Costs	\$235,682
Tax Credit Equity	\$8,952,299
TOTAL	\$22,161,649

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$8,794,871
130% High Cost Adjustment:	yes
Applicable Fraction:	100.00%
Qualified Basis:	\$11,433,332
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,029,000
Approved Developer Fee in Project Cost:	\$2,200,000
Approved Developer Fee in Eligible Basis:	\$2,169,259
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.87000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second :	Yes
Third:	\$17,078.89

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, City of Redding, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Negative Points		0	0
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit, service every 30 minutes in rush hours	6	6	6
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 3/4 mile of a public Elementary School	2	2	2
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Warthan Place Apartments II, located South of Tache Way at Warthan Street in Coalinga, requested and is being recommended for a reservation of \$1,338,036 in annual federal tax credits to finance the new construction of 80 units of housing serving large families with rents affordable to households earning 30-55% of area median income (AMI). The project will be developed by C.F.Y. Development, Inc. & Egis Group, Inc. and will be located in Senate District 12 and Assembly District 31.

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

Project Number CA-21-090

Project Name Warthan Place Apartments II
Site Address: South of Tache Way at Warthan Street
Coalinga, CA 93210 County: Fresno
Census Tract: 81.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,338,036	\$0
Recommended:	\$1,338,036	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Warthan Place Apartment Investors II, L.P.
Contact: Cyrus Youssefi
Address: 1724 10th Street, Suite 120
Sacramento, CA 958411
Phone: (916) 446-4040
Email: cfyinc@yahoo.com

General Partner(s) / Principal Owner(s): Cyrus Youssefi
Egis Group, Inc.
Community Revitalization and Development Corporation

General Partner Type: Joint Venture

Parent Company(ies): Cyrus Youssefi
Egis Group, Inc.
Community Revitalization and Development Corporation

Developer: C.F.Y. Development, Inc./Egis Group, Inc.

Investor/Consultant: WNC

Management Agent(s): C.F.Y. Development, Inc.

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	10
Total # of Units:	81
No. & % of Tax Credit Units:	80 100%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	None

Information

Set-Aside:	N/A
Housing Type:	Large Family
Geographic Area:	Central Valley Region
TCAC Project Analyst:	Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	8 10%
At or Below 50% AMI (Rural):	40 50%
At or Below 55% AMI (Rural):	32 40%

Unit Mix

56 2-Bedroom Units
25 3-Bedroom Units
<u>81 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 2 Bedrooms	30%	\$471
28 2 Bedrooms	50%	\$785
23 2 Bedrooms	55%	\$863
3 3 Bedrooms	30%	\$543
12 3 Bedrooms	50%	\$906
9 3 Bedrooms	55%	\$996
1 3 Bedrooms	Manager's Unit	\$965

Project Cost Summary at Application

Land and Acquisition	\$211,677
Construction Costs	\$15,921,714
Rehabilitation Costs	\$0
Construction Contingency	\$896,095
Relocation	\$0
Architectural/Engineering	\$333,333
Const. Interest, Perm. Financing	\$779,000
Legal Fees	\$200,000
Reserves	\$162,313
Other Costs	\$1,815,110
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$22,519,242

Residential

Construction Cost Per Square Foot:	\$192
Per Unit Cost:	\$278,015
True Cash Per Unit Cost*:	\$266,851

Construction Financing

Source	Amount
Bonneville Mortgage Company	\$17,693,194
Deferred Operating Reserve	\$324,625
Developer Fee	\$2,200,000
Tax Credit Equity	\$2,301,422

Permanent Financing

Source	Amount
Bonneville Mortgage Company	\$5,107,799
HCD Joe Serna	\$5,000,000
Deferred Developer Fee	\$904,333
Tax Credit Equity	\$11,507,110
TOTAL	\$22,519,242

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$11,436,207
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$14,867,069
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,338,036
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.86000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$12,622.98

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Coalinga, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Burney Commons, located at Bainbridge Drive in Burney, requested and is being recommended for a reservation of \$1,091,404 in annual federal tax credits to finance the new construction of 29 units of housing serving large families with rents affordable to households earning 30-50% of area median income (AMI). The project will be developed by ADK Properties LLC and will be located in Senate District 1 and Assembly District 1.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-091

Project Name Burney Commons
Site Address: Bainbridge Drive
Burney, CA 96013 County: Shasta
Census Tract: 127.010

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,091,404	\$0
Recommended:	\$1,091,404	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: ADK Properties, LLC
Contact: Daniel Knott
Address: 1011 Parkview Avenue, Suite A
Redding, CA 96001
Phone: (530) 244-0595
Email: dknott@k2dci.com

General Partner(s) / Principal Owner(s): ADK Properties, LLC
Community Revitalization & Development Corporation
Northern Valley Catholic Social Service, Inc.

General Partner Type: Joint Venture

Parent Company(ies): ADK Properties, LLC
Community Revitalization & Development Corporation
Northern Valley Catholic Social Service, Inc.

Developer: ADK Properties LLC

Investor/Consultant: R4 Capital LLC

Management Agent(s): MBS Property Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 8
 Total # of Units: 30
 No. & % of Tax Credit Units: 29 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project Based Vouchers (29 Units - 100%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Northern Region
 TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 4	10%
At or Below 40% AMI: 4	10%
At or Below 50% AMI (Rural): 21	50%

Unit Mix

7 1-Bedroom Units
15 2-Bedroom Units
8 3-BedroomUnits
30 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
1 1 Bedroom	30%	\$399
1 1 Bedroom	40%	\$532
5 1 Bedroom	50%	\$665
2 2 Bedrooms	30%	\$479
2 2 Bedrooms	40%	\$639
10 2 Bedrooms	50%	\$798
1 3 Bedrooms	30%	\$553
1 3 Bedrooms	40%	\$738
6 3 Bedrooms	50%	\$923
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$458,000
Construction Costs	\$8,642,000
Rehabilitation Costs	\$0
Construction Contingency	\$532,100
Relocation	\$0

Architectural/Engineering	\$450,000
Const. Interest, Perm. Financing	\$765,578
Legal Fees	\$245,000
Reserves	\$85,965
Other Costs	\$676,030
Developer Fee	\$1,621,897
Commercial Costs	\$0
Total	\$13,476,570

Residential

Construction Cost Per Square Foot:	\$304
Per Unit Cost:	\$449,219
True Cash Per Unit Cost*:	\$430,600

Construction Financing

Source	Amount
Citi Community Capital	\$10,419,426
GP Committed Grant Funds	\$425,000
Deferred Reserves	\$85,965
Deferred Developer Fee	\$1,121,897
Tax Credit Equity	\$1,424,282

Permanent Financing

Source	Amount
City Community Capital	\$2,997,793
GP Committed Grant Funds	\$425,000
Deferred Developer Fee	\$558,564
Tax Credit Equity	\$9,495,213
TOTAL	\$13,476,570

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$9,328,238
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$12,126,709
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,091,404
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,621,897
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.87000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$29,901.48

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the County of Shasta, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ¼ mile of a neighborhood market of at least 5,000 sf	4	4	4
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Olive Ranch Senior Apartments, located at the Corner of Table Mountain Blvd & Rio Vista Drive in Oroville, requested and is being recommended for a reservation of \$1,892,391 in annual federal tax credits to finance the new construction of 50 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by ADK Properties LLC and will be located in Senate District 4 and Assembly District 3.

Project Number CA-21-092

Project Name Olive Ranch Senior Apartments
Site Address: Corner of Table Mountain Blvd & Rio Vista Drive
Oroville, CA 95965 County: Butte
Census Tract: 25.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,892,391	\$0
Recommended:	\$1,892,391	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: K&M Butte Developers LLC
Contact: Daniel Knott
Address: 1011 Parkview Avenue, Suite A
Redding, CA 96001
Phone: (530) 244-0596
Email: dknott@k2dci.com

General Partner(s) / Principal Owner(s): Community Revitalization & Development Corporation
Olive Ranch Senior Apartments LLC

General Partner Type: Joint Venture

Parent Company(ies): Community Revitalization & Development Corporation
K&M Butte Developers LLC

Developer: ADK Properties LLC

Investor/Consultant: RBC Community Investments

Management Agent(s): FPI Management

Project Information

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 51

No. & % of Tax Credit Units: 50 100%

Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

	<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	6	10%
At or Below 40% AMI:	9	15%
At or Below 50% AMI:	21	40%
At or Below 60% AMI:	14	25%

Unit Mix

42 1-Bedroom Units
9 2-Bedroom Units
51 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
13 1 Bedroom	60%	\$784
17 1 Bedroom	50%	\$653
7 1 Bedroom	40%	\$523
5 1 Bedroom	30%	\$392
1 2 Bedrooms	60%	\$942
4 2 Bedrooms	50%	\$785
2 2 Bedrooms	40%	\$628
1 2 Bedrooms	30%	\$471
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$60,000
Construction Costs	\$11,307,750
Rehabilitation Costs	\$0
Construction Contingency	\$755,388
Relocation	\$0
Architectural/Engineering	\$470,000
Const. Interest, Perm. Financing	\$837,259
Legal Fees	\$245,000
Reserves	\$77,044
Other Costs	\$1,672,513
Developer Fee	\$1,849,454
Commercial Costs	\$0
Total	\$17,274,408

Residential

Construction Cost Per Square Foot:	\$283
Per Unit Cost:	\$338,714
True Cash Per Unit Cost*:	\$334,777

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citi	\$13,327,794	Citi	\$609,802
Deferred Reserves	\$77,044	Deferred Developer Fee	\$200,804
Deferred Developer Fee	\$1,400,000	Tax Credit Equity	\$16,463,802
Tax Credit Equity	\$2,469,570	TOTAL	\$17,274,408

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,174,282
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$21,026,567
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,892,391
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,849,454
Investor/Consultant:	RBC Community Investments
Federal Tax Credit Factor:	\$0.87000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$36,392.13

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the City of Oroville, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	6	6	0
Within ½ mile of transit station or public bus stop	4	0	4
Within ¾ mile of public park or community center open to general public	2	2	2
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Mono Apartments, located at 122 Mono Avenue in Oroville, requested and is being recommended for a reservation of \$1,739,000 in annual federal tax credits to finance the new construction of 46 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 ADK Properties LLC and will be located in Senate District 4 and Assembly District 3.

Project Number CA-21-093

Project Name Mono Apartments
Site Address: 122 Mono Avenue
Oroville, CA 9596 County: Butte
Census Tract: 25.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,739,000	\$0
Recommended:	\$1,739,000	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: K&M Butte Developers LLC
Contact: Daniel Knott
Address: 1011 Parkview Avenue, Suite A
Redding , CA 96001
Phone: (530) 244-0596
Email: dknott@k2dci.com

General Partner(s) / Principal Owner(s): Mono Apartments LLC
Community Revitalization and Development Corporator

General Partner Type: Joint Venture

Parent Company(ies): K&M Butte Developers LLC
Community Revitalization and Development Corporator

Developer: ADK Properties LLC

Investor/Consultant: Raymond James

Management Agent(s): FPI Management

Project Information

Construction Type: New Construction

Total # Residential Buildings: 2

Total # of Units: 47

No. & % of Tax Credit Units: 46 100%

Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	15%
At or Below 40% AMI: 5	10%
At or Below 50% AMI: 18	35%
At or Below 60% AMI: 15	30%

Unit Mix

12 1-Bedroom Units
23 2-Bedroom Units
12 3-Bedroom Units
<u>47 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 1 Bedroom	60%	\$784
6 1 Bedroom	50%	\$653
1 1 Bedroom	40%	\$523
2 1 Bedroom	30%	\$392
9 2 Bedrooms	60%	\$942
8 2 Bedrooms	50%	\$785
2 2 Bedrooms	40%	\$628
3 2 Bedrooms	30%	\$471
3 3 Bedrooms	60%	\$1,087
4 3 Bedrooms	50%	\$906
2 3 Bedrooms	40%	\$725
3 3 Bedrooms	30%	\$543
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,000,000
Construction Costs	\$10,409,000
Rehabilitation Costs	\$0
Construction Contingency	\$578,700
Relocation	\$0
Architectural/Engineering	\$590,500
Const. Interest, Perm. Financing	\$884,582
Legal Fees	\$280,000
Reserves	\$85,794
Other Costs	\$1,534,316
Developer Fee	\$2,044,174
Commercial Costs	\$0
Total	\$17,407,066

Residential

Construction Cost Per Square Foot:	\$236
Per Unit Cost:	\$370,363
True Cash Per Unit Cost*:	\$362,233

Construction Financing

Source	Amount
Citi	\$12,546,898
Deferred Reserves	\$85,794
Deferred Developer Fee	\$1,644,174
Tax Credit Equity	\$3,130,200

Permanent Financing

Source	Amount
Citi	\$1,270,000
Deferred Developer Fee	\$382,116
Solar Tax Credit Equity	\$103,950
Tax Credit Equity	\$15,651,000
TOTAL	\$17,407,066

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$14,863,248
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$19,322,222
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,739,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,044,174
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$30,243.48

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Oroville, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	6	6	6
Residents provided free or discounted transit passes, 1 pass per unit	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of a weekly farmers' market operating at least 5 months/year	1	1	1
Within 1 mile of a public middle school	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Corazón del Valle Commons, located at 12th Street and Fresno Street in Huron, requested and is being recommended for a reservation of \$1,959,193 in annual federal tax credits to finance the new construction of 60 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 the Housing Authority of Fresno County and will be located in Senate District 12 and Assembly District 31.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the MHP program of HCD.

Project Number CA-21-099

Project Name Corazón del Valle Commons
Site Address: Southwest and Southeast Corners of 12th Street and Fresno Street
Huron, CA 93234 County: Fresno
Census Tract: 78.020

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,959,193	\$0
Recommended:	\$1,959,193	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Silvercrest, Inc.
Contact: Angelina Nguyen
Address: 1331 Fulton Street
Fresno, CA 93721
Phone: 559-443-8439
Email: anguyen@fresnohousing.org

General Partner(s) / Principal Owner(s): Huron Corazón del Valle Commons AGP, LLC
Silvercrest, Inc.
General Partner Type: Joint Venture
Parent Company(ies): Housing Authority of Fresno County, CA
Developer: Housing Authority of Fresno County, CA
Investor/Consultant: California Housing Partnership
Management Agent(s): Fresno Housing Authority

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 9
 Total # of Units: 61
 No. & % of Tax Credit Units: 60 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project-based Vouchers (40 units - 67%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Central Valley Region
 TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 29	45%
At or Below 40% AMI: 14	20%
At or Below 50% AMI: 11	15%
At or Below 60% AMI: 6	10%

Unit Mix

10 1-Bedroom Units
 24 2-Bedroom Units
 17 3-Bedroom Units
 10 4-Bedroom Units

 61 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	30%	\$392
10 2 Bedrooms	30%	\$471
8 3 Bedrooms	30%	\$543
6 4 Bedrooms	30%	\$606
2 1 Bedroom	40%	\$523
8 2 Bedrooms	40%	\$628
4 3 Bedrooms	40%	\$725
2 1 Bedroom	50%	\$653
6 2 Bedrooms	50%	\$785
1 3 Bedrooms	50%	\$906
2 4 Bedrooms	50%	\$1,011
1 1 Bedroom	60%	\$784
3 3 Bedrooms	60%	\$1,087
2 4 Bedrooms	60%	\$1,213
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,867,014
Construction Costs	\$23,487,461
Rehabilitation Costs	\$0
Construction Contingency	\$1,416,023
Relocation	\$121,495
Architectural/Engineering	\$1,088,598
Const. Interest, Perm. Financing	\$1,798,859
Legal Fees	\$53,458
Reserves	\$574,379
Other Costs	\$1,326,815
Developer Fee	\$2,200,000
Commercial Costs	\$1,106,583
Total	\$35,040,685

Residential

Construction Cost Per Square Foot:	\$343
Per Unit Cost:	\$555,286
True Cash Per Unit Cost*:	\$527,477

Construction Financing

Source	Amount
US Bank	\$27,079,684
Fresno Housing Authority Capital	\$2,500,000
Impact Fee Waiver	\$460,840
Seller Carryback	\$1,294,000
Deferred Costs	\$2,112,654
Tax Credit Equity	\$1,593,507

Permanent Financing

Source	Amount
US Bank	\$2,102,000
Fresno Housing Authority Capital	\$2,500,000
HCD MHP	\$11,398,771
Impact Fee Waiver	\$460,840
Seller Carryback	\$1,294,000
Tax Credit Equity	\$17,285,074
TOTAL	\$35,040,685

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,745,239
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$21,768,811
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,959,193
Approved Developer Fee in Project Cost:	\$2,200,000
Approved Developer Fee in Eligible Basis:	\$2,138,319
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.88225

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First: No
Second: Yes
Third: \$24,039.18

Significant Information / Additional Conditions

Staff noted a per unit cost of \$527,477. The applicant noted that the high per unit cost is attributed to soil conditions, off-site improvements required by the City as a condition of approval, and both federal and state prevailing wage requirements. The project also has funding which requires a higher transition reserve and a commercial component.

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-21-099 must be completed as part of the Placed in Service package.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Huron, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ¼ mile of a neighborhood market of at least 5,000 sf	4	4	4
Within ¼ mile of a public elementary school	3	3	0
Within ¾ mile of a public elementary school	2	0	2
Within ½ mile of medical clinic or hospital	3	3	3
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Live Oak Redding, located at 1320 & 1358 Old Alturas Road in Redding, requested and is being recommended for a reservation of \$1,699,830 in annual federal tax credits to finance the new construction of 38 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 ADK Properties LLC and will be located in Senate District 1 and Assembly District 1.

Project Number CA-21-102

Project Name Live Oak Redding
Site Address: 1320 & 1358 Old Alturas Road
Redding, CA 96003 County: Shasta
Census Tract: 0.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,699,830	\$0
Recommended:	\$1,699,830	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: ADK Properties, LLC
Contact: Daniel Knott
Address: 1011 Parkview Avenue, Ste. A
Redding, CA 96001
Phone: (530) 244-0595
Email: dknott@k2dci.com

General Partner(s) / Principal Owner(s): ADK Properties LLC
Community Revitalization and Development Corporation

General Partner Type: Joint Venture

Parent Company(ies): ADK Properties LLC
Community Revitalization and Development Corporation

Developer: ADK Properties LLC

Investor/Consultant: R4 Capital LLC

Management Agent(s): MBS Property Management, Inc.

Project Information

Construction Type: New Constructio
Total # Residential Buildings: 14
Total # of Units: 39
No. & % of Tax Credit Units: 38 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

	<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	4	10%
At or Below 40% AMI:	8	20%
At or Below 50% AMI:	12	30%
At or Below 60% AMI:	14	35%

Unit Mix

19 2-Bedroom Units
20 3-Bedroom Units
39 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 2 Bedrooms	30%	\$479
4 2 Bedrooms	40%	\$639
6 2 Bedrooms	50%	\$798
6 2 Bedrooms	60%	\$958
2 3 Bedrooms	30%	\$553
4 3 Bedrooms	40%	\$738
6 3 Bedrooms	50%	\$923
8 3 Bedrooms	60%	\$1,107
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,050,000
Construction Costs	\$11,215,000
Rehabilitation Costs	\$0
Construction Contingency	\$615,750
Relocation	\$0
Architectural/Engineering	\$561,980
Const. Interest, Perm. Financing	\$997,128
Legal Fees	\$280,000
Reserves	\$80,350
Other Costs	\$1,063,517
Developer Fee	\$2,118,897
Commercial Costs	\$0
Total	\$17,982,622

Residential

Construction Cost Per Square Foot:	\$172
Per Unit Cost:	\$461,093
True Cash Per Unit Cost*:	\$440,017

Construction Financing

Source	Amount
Citibank N.A.	\$13,157,678
Deferred Reserves	\$80,350
Deferred Developer Fee	\$1,718,897
Tax Credit Equity	\$3,025,697

Permanent Financing

Source	Amount
Citibank N.A.	\$1,880,000
Deferred Developer Fee	\$821,960
Solar Tax Credit Equity	\$152,175
Tax Credit Equity	\$15,128,487
TOTAL	\$17,982,622

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$14,529,915
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$18,888,890
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,699,830
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,118,897
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.89000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$32,377.71

Significant Information / Additional Conditions: None

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the City of Redding, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ¾ mile of public park or community center open to general public	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ½ mile of a pharmacy	2	2	2
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

414 Petaluma, located at 414 Petaluma Boulevard North in Petaluma, requested and is being recommended for a reservation of \$2,311,543 in annual federal tax credits to finance the new construction of 43 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 MidPen Housing Corporation and will be located in Senate District 3 and Assembly District 10.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program(s) of HCD.

Project Number CA-21-104

Project Name 414 Petaluma
Site Address: 414 Petaluma Boulevard North
Petaluma, CA 94952 County: Sonoma
Census Tract: 1509.010

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,311,543	\$0
Recommended:	\$2,311,543	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: MP 414 Petaluma Associates, LP
Contact: Jan M. Lindenthal
Address: 303 Vintage Park Drive, Suite 250
Foster City, CA 94404
Phone: 650-356-2900
Email: jlindenthal@midpen-housing.org

General Partner(s) / Principal Owner(s): MP 414 Petaluma LLC
General Partner Type: Nonprofit
Parent Company(ies): Mid-Peninsula Pickering, Inc.
Developer: MidPen Housing Corporation
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): MidPen Property Management Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 44
No. & % of Tax Credit Units: 43 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project Based Vouchers (16 Units - 37%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 16	35%
At or Below 40% AMI: 7	15%
At or Below 50% AMI: 3	5%
At or Below 60% AMI: 17	35%

Unit Mix

2 SRO/Studio Units
19 1-Bedroom Units
12 2-Bedroom Units
11 3-BedroomUnits

44 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
8 1 Bedroom	30%	\$654
3 2 Bedrooms	30%	\$785
2 3 Bedrooms	30%	\$907
1 1 Bedroom	30%	\$654
1 2 Bedrooms	30%	\$785
1 3 Bedrooms	30%	\$907
6 1 Bedroom	40%	\$873
1 2 Bedrooms	40%	\$1,047
3 3 Bedrooms	50%	\$1,512
2 SRO/Studio	60%	\$1,222
4 1 Bedroom	60%	\$1,309
6 2 Bedrooms	60%	\$1,570
5 3 Bedrooms	60%	\$1,815
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,375,598
Construction Costs	\$22,150,313
Rehabilitation Costs	\$0
Construction Contingency	\$1,447,882
Relocation	\$0
Architectural/Engineering	\$1,361,441
Const. Interest, Perm. Financing	\$1,780,963
Legal Fees	\$75,000
Reserves	\$1,366,328
Other Costs	\$2,407,503
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$35,165,028

Residential

Construction Cost Per Square Foot:	\$482
Per Unit Cost:	\$799,205
True Cash Per Unit Cost*:	\$768,212

Construction Financing

Source	Amount
JP Morgan Chase	\$24,486,288
City of Petaluma ¹	\$2,000,000
Permanent Local Housing Allocation	\$299,393
Sonoma County Fund	\$500,000
HCD - Joe Serna Jr. ²	\$2,135,156
City of Petaluma Fee Waiver	\$263,709
Accrued/Deferred Interest	\$140,438
Deferred Costs	\$2,246,868
Deferred Developer Fee	\$1,100,000
Tax Credit Equity	\$1,993,176

Permanent Financing

Source	Amount
JP Morgan Chase	\$3,779,000
City of Petaluma ¹	\$2,000,000
Permanent Local Housing Allocation	\$299,393
Sonoma County Fund	\$500,000
HCD - No Place Like Home	\$3,598,072
HCD - Joe Serna Jr. ²	\$2,135,156
City of Petaluma Fee Waiver	\$263,709
Accrued/Deferred Interest	\$140,438
Deferred Developer Fee	\$1,100,000
Tax Credit Equity	\$21,349,260
TOTAL	\$35,165,028

¹City of Petaluma In-Lieu / HOME Fund

²HCD - Joe Serna, Jr. Farmworker Housing Grant Program

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$19,756,780
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$25,683,814
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,311,543
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.92359

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$45,279.98

Significant Information / Additional Conditions

Staff noted a per unit development cost of \$799,205. The applicant noted that the cost is attributed to the location of the project and prevailing wage and green building features. In addition, the site requires soil liquefaction requiring the use of drilled displacement columns.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Petaluma, has completed a site review of this project and Strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 minutes in rush hours	5	5	5
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

1482 Freedom, located at 1482 Freedom Boulevard in Watsonville, requested and is being recommended for a reservation of \$1,840,283 in annual federal tax credits to finance the new construction of 52 units of housing serving large families with rents affordable to households earning 25-50% of area median income (AMI). The project will be developed by Eden Investments, Inc. and will be located in Senate District 17 and Assembly District 30.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from HCD's NPLH and Joe Serna Jr. Farmworker Housing programs.

Project Number CA-21-111

Project Name 1482 Freedom
Site Address: 1482 Freedom Boulevard
Watsonville, CA 95076 County: Santa Cruz
Census Tract: 6087110200

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,840,283	\$0
Recommended:	\$1,840,283	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Eden Freedom Investors, L.P.
Contact: Max Heninger
Address: 22645 Grand Street
Hayward, CA 94541
Phone: 510-331-6329
Email: max.heninger@edenhousing.org

General Partner(s) / Principal Owner(s): Eden Freedom LLC
General Partner Type: Non-Profit
Parent Company(ies): Eden Investments, Inc.
Developer: Eden Investments, Inc.
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): Eden Housing Management, Inc

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 53
No. & % of Tax Credit Units: 52 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (37 units - 71%)

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Central Coast Region
 TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	17 30%
At or Below 40% AMI:	19 35%
At or Below 50% AMI:	16 30%

Unit Mix

13 1-Bedroom Units
26 2-Bedroom Units
14 3-Bedroom Units
<u>53 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	25%	\$651
1 1 Bedroom	30%	\$781
7 2 Bedrooms	30%	\$937
4 3 Bedrooms	30%	\$1,084
4 1 Bedroom	40%	\$1,042
8 2 Bedrooms	40%	\$1,250
7 3 Bedrooms	40%	\$1,445
3 1 Bedroom	50%	\$1,195
10 2 Bedrooms	50%	\$1,563
3 3 Bedrooms	50%	\$1,807
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,750,379
Construction Costs	\$23,305,627
Rehabilitation Costs	\$0
Construction Contingency	\$1,390,673
Relocation	\$0
Architectural/Engineering	\$1,995,926
Const. Interest, Perm. Financing	\$1,622,674
Legal Fees	\$160,000
Reserves	\$1,091,251
Other Costs	\$1,716,419
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$36,232,949

Residential

Construction Cost Per Square Foot:	\$381
Per Unit Cost:	\$683,641
True Cash Per Unit Cost*:	\$683,641

Construction Financing

Source	Amount
JPMorgan Chase Bank	\$24,472,521
HCD - Joe Serna Jr.	\$5,758,788
City of Watsonville Loan	\$1,000,000
CCCE** Grant	\$131,750
Accrued / Deferred Loan Interest	\$171,600
Deferred Costs	\$3,188,201
Tax Credit Equity	\$1,510,089

Permanent Financing

Source	Amount
JPMorgan Chase Bank	\$11,272,000
HCD - Joe Serna Jr.	\$5,758,788
HCD - NPLH	\$1,483,920
City of Watsonville Loan	\$1,000,000
CCCE** Grant	\$131,750
Accrued / Deferred Loan Interest	\$171,600
Tax Credit Equity	\$16,414,891
TOTAL	\$36,232,949

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

** Central Coast Community Energy (CCCE)

Determination of Credit Amount(s)

Requested Eligible Basis:	\$15,728,915
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$20,447,590
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,840,283
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.89198

The "as if vacant" land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	No
Second	Yes
Third	\$28,203.57

Significant Information / Additional Conditions

The estimated cost of the project is over \$680,000 per unit. Factors contributing to this include the escalating cost of construction materials and labor in the project's region, a requirement by state funding sources to pay prevailing wages, and a city requirement to construct a bus pull-in and shelter along a bordering street.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ¾ mile of a public elementary school	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Woodland, located at 310 West Main Street in Woodland, requested and is being recommended for a reservation of \$2,884,565 in annual federal tax credits to finance the new construction of 71 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 Chelsea Investment Corporation and will be located in Senate District 3 and Assembly District 4.

Project Number CA-21-116

Project Name Woodland
Site Address: 310 West Main Street
Woodland, CA 95695 County: Yolo
Census Tract: 190.020

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$2,884,565	\$0
Recommended:	\$2,884,565	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Chelsea Investment Corporation
Contact: Cheri Hoffman
Address: 6339 Paseo del Lago
Carlsbad, CA 92011
Phone: 760-456-6000
Email: cherihoffman@chelseainvestco.com

General Partner(s) / Principal Owner(s): Pacific Southwest Community Development Corporation
Chelsea Investment Corporation
General Partner Type: Joint Venture
Parent Company(ies): Pacific Southwest Community Development Corporation
Chelsea Investment Corporation
Developer: Chelsea Investment Corporation
Investor/Consultant: Raymond James Tax Credit Funds, Inc
Management Agent(s): CIC Management, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 3
Total # of Units: 72
No. & % of Tax Credit Units: 71 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Capital Region
 TCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	10%
At or Below 40% AMI: 11	15%
At or Below 50% AMI: 29	40%
At or Below 60% AMI: 23	30%

Unit Mix

20 1-Bedroom Units
32 2-Bedroom Units
20 3-BedroomUnits
<u>72 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 1 Bedroom	60%	\$997
8 1 Bedroom	50%	\$831
3 1 Bedroom	40%	\$665
2 1 Bedroom	30%	\$498
9 2 Bedrooms	60%	\$1,197
13 2 Bedrooms	50%	\$997
5 2 Bedrooms	40%	\$798
4 2 Bedrooms	30%	\$598
7 3 Bedrooms	60%	\$1,382
8 3 Bedrooms	50%	\$1,151
3 3 Bedrooms	40%	\$921
2 3 Bedrooms	30%	\$691
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,055,000
Construction Costs	\$18,566,262
Rehabilitation Costs	\$0
Construction Contingency	\$1,883,212
Relocation	\$0
Architectural/Engineering	\$775,000
Const. Interest, Perm. Financing	\$1,419,553
Legal Fees	\$182,500
Reserves	\$168,952
Other Costs	\$2,015,002
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$30,265,481

Residential

Construction Cost Per Square Foot:	\$332
Per Unit Cost:	\$420,354
True Cash Per Unit Cost*:	\$420,354

Construction Financing

Source	Amount
Citibank	\$25,164,108
Deferred Fees and Costs	\$1,337,015
Tax Credit Equity	\$3,764,357

Permanent Financing

Source	Amount
Citibank	\$5,030,000
Solar Tax Credit Equity	\$139,766
Tax Credit Equity	\$25,095,716
TOTAL	\$30,265,481

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$24,654,402
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$32,050,723
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,884,565
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Raymond James Tax Credit Funds, Inc
Federal Tax Credit Factor:	\$0.87000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$32,502.14

Significant Information / Additional Conditions

The applicant's estimate of contractor profit, overhead and general requirement costs exceeds TCAC limit of 1 % based on the specific line item costs. However, the estimated costs are within the limits if the hard cost contingency is included in the calculation. The applicant is cautioned that at final review, prior to the issuance of the IRS 8609 forms, any costs or eligible basis that exceeds the limits will not be allowed.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/8 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	0
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

North Creek Crossings at Meriam Park (Phase 2), located at Notre Dame Boulevard between Humboldt Road and Little Chico Creek in Chico, requested and is being recommended for a reservation of \$2,615,963 in annual federal tax credits to finance the new construction of 53 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 Central California Housing Corporation and will be located in Senate District 4 and Assembly District 3.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-121

Project Name North Creek Crossings at Meriam Park (Phase 2)
Site Address: Notre Dame Boulevard, south of Humboldt Road and north of Little Chico Creek
Chico, CA 95928 County: Butte
Census Tract: 9.030

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,615,963	\$0
Recommended:	\$2,615,963	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Central California Housing Corporation
Contact: Laurie Doyle
Address: 3128 Willow Avenue, Suite 101
Clovis, CA 93612
Phone: (559) 292-3385
Email: Ldoyle@ahdcinc.com

General Partner(s) / Principal Owner(s): Central California Housing Corporation
Butte County Affordable Housing Development Corporation

General Partner Type: Joint Venture

Parent Company(ies): Central California Housing Corporation
Housing Authority of the County of Butte

Developer: Central California Housing Corporation

Investor/Consultant: R4 Capital LLC

Management Agent(s): WinnResidential

Project Information

Construction Type: New Construction

Total # Residential Buildings: 7

Total # of Units: 54

No. & % of Tax Credit Units: 53 100%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: HOME/HUD Section 8 Project-based Vouchers (13 units - 25%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 13	20%
At or Below 40% AMI: 13	20%
At or Below 50% AMI: 15	25%
At or Below 60% AMI: 12	20%

Unit Mix

13 1-Bedroom Units
24 2-Bedroom Units
<u>17 3-Bedroom Units</u>
54 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 1 Bedroom	30%	\$392
6 2 Bedrooms	30%	\$471
3 3 Bedrooms	30%	\$543
4 1 Bedroom	40%	\$523
7 2 Bedrooms	40%	\$628
2 3 Bedrooms	40%	\$725
3 1 Bedroom	50%	\$653
6 2 Bedrooms	50%	\$785
6 3 Bedrooms	50%	\$906
2 1 Bedroom	60%	\$784
5 2 Bedrooms	60%	\$942
5 3 Bedrooms	60%	\$1,087
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$867,548
Construction Costs	\$18,045,231
Rehabilitation Costs	\$0
Construction Contingency	\$1,002,262
Relocation	\$0
Architectural/Engineering	\$696,750
Const. Interest, Perm. Financing	\$2,434,840
Legal Fees	\$310,000
Reserves	\$251,152
Other Costs	\$2,065,989
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$27,873,772

Residential

Construction Cost Per Square Foot:	\$300
Per Unit Cost:	\$516,181
True Cash Per Unit Cost*:	\$509,178

Construction Financing

Source	Amount
Wells Fargo Construction	\$23,500,000
City of Chico AHF	\$330,000
City of Chico HOME	\$671,523
Deferred Costs	\$1,044,042
Tax Credit Equity	\$2,328,207

Permanent Financing

Source	Amount
Berkadia	\$3,212,000
City of Chico AHF	\$330,000
City of Chico HOME	\$671,523
Deferred Developer Fee	\$378,177
Tax Credit Equity	\$23,282,072
TOTAL	\$27,873,772

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$22,358,663
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$29,066,262
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,615,963
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.89000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$39,044.22

Significant Information / Additional Conditions

Development costs are roughly \$509,178 per unit. The factors affecting this cost include costs to incorporate stormwater-mitigating bioswales, tuck-under parking, and energy efficiency features.

Projects with funding and/or subsidy(ies) from HUD are required to use Utility Allowances(UAs) approved by HUD. The applicant has proposed to use the Utility Allowances approved by the Public Housing Authority for the 13 units with Project-based Vouchers and the CUAC for all remaining units.

The applicant's estimate for annual operating expenses per unit is below the \$4,800 published per unit operating expense minimum required for this type of project. Under regulation section 10327(g) operating expenses below the published minimum may be corrected. At the submission of the next updated TCAC application required by TCAC, and all subsequent submissions to TCAC, the applicant must meet the requirement of regulation section

This project is Phase 2 of North Creek Crossings at Meriam Park (CA-20-139). Phase 2 will share community facilities and services with the Phase 1 project. Both phases are under the same control of Central California Housing Corporation & Butte County Affordable Housing Development Corporation, and prior to the start of construction, all necessary agreements shall be in place to ensure that Phase 2 has access to both the required space and the services free of charge. The Joint Use Agreement shall be provided in the placed in service submission.

The project's pro forma shows cash flow after debt service below limits established by TCAC Regulations. Pursuant to TCAC Regulations 10327(g), the deficit of cash flow is within the \$25,000 limit allowed by Committee. The applicant must correct the cash flow shortage in the readiness submission.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Chico , has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	4
Within ½ mile of a public middle school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Heritage House & Valle Verde, located at 3700 and 3710 Valle Verde Drive in Napa, requested and is being recommended for a reservation of \$2,883,928 in annual federal tax credits to finance the new construction of 88 units of housing serving tenants and special needs tenants with rents affordable to households earning 20-60% of area median income (AMI). The project will be developed by Burbank Housing Development Corporation and will be located in Senate District 3 and Assembly District 4.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-124

Project Name Heritage House & Valle Verde
Site Address: 3700 and 3710 Valle Verde Drive
Napa, CA 94558 County: Napa
Census Tract: 2006.200

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,883,928	\$0
Recommended:	\$2,883,928	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Burbank Housing Development Corporation
Contact: Jocelyn Lin
Address: 1425 Corporate Center Parkway
Santa Rosa, CA 95407
Phone: 707-303-0590
Email: jlin@burbankhousing.org

General Partner(s) / Principal Owner(s): Burbank Housing Development Corporation
Allied Housing, Inc.
General Partner Type: Nonprofit
Parent Company(ies): Burbank Housing Development Corporation
Allied Housing, Inc.
Developer: Burbank Housing Development Corporation
Investor/Consultant: U.S. Bancorp
Management Agent(s): Burbank Housing Management Corporation

Project Information

Construction Type: New Construction / Adaptive Reuse
Total # Residential Buildings: 2
Total # of Units: 90
No. & % of Tax Credit Units: 88 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (38 units - 43%) / CDBG-DR

Information

Set-Aside: N/A
 Housing Type: Special Needs, At least 20% 1-BR units & 10% larger than 1-BR units
 Type of Special Needs: Homeless/formerly homeless and/or tenants with physical, mental, or developmental disabilities
 Average Targeted Affordability of Special Needs/SRO Project Unit: 34.77%
 % of Special Need Units: 44 units 50.00%
 Geographic Area: Northern Region
 TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 20% AMI: 44	50%
At or Below 30% AMI: 10	10%
At or Below 50% AMI: 10	10%
At or Below 60% AMI: 21	20%

Unit Mix

58 SRO/Studio Units
 20 1-Bedroom Units
 6 2-Bedroom Units
 6 3-BedroomUnits

 90 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
36 SRO/Studio	20%	\$398
4 1 Bedroom	20%	\$398
3 SRO/Studio	30%	\$597
3 1 Bedroom	30%	\$639
3 SRO/Studio	40%	\$745
8 SRO/Studio	50%	\$745
8 SRO/Studio	60%	\$745
4 1 Bedroom	20%	\$426
2 1 Bedroom	30%	\$639
1 2 Bedrooms	30%	\$768
1 3 Bedrooms	30%	\$886
2 1 Bedroom	50%	\$1,066
4 1 Bedroom	60%	\$1,279
5 2 Bedrooms	60%	\$1,536
4 3 Bedrooms	60%	\$1,773
1 1 Bedroom	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$6,416,564
Construction Costs	\$26,370,547
Rehabilitation Costs	\$0
Construction Contingency	\$2,352,150
Relocation	\$0
Architectural/Engineering	\$2,288,927
Const. Interest, Perm. Financing	\$1,905,169
Legal Fees	\$115,000
Reserves	\$2,678,734
Other Costs	\$3,787,330
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$48,114,421

Residential

Construction Cost Per Square Foot:	\$387
Per Unit Cost:	\$534,605
True Cash Per Unit Cost*:	\$487,249

Construction Financing

Source	Amount
US Bank	\$27,774,729
Seller Carryback	\$4,262,015
County of Napa	\$1,317,985
County of Napa (Whole Person Care)	\$1,000,000
City of Napa - HTF Loan	\$2,200,000
CDBG-DR**	\$2,664,774
Queen of the Valley**	\$1,000,000
NPLH-Technical Assistance**	\$75,000
GP Equity: Partnership Health Grant	\$1,000,000
Deferred Costs	\$4,283,134
Tax Credit Equity	\$2,536,784

Permanent Financing

Source	Amount
Seller Carryback	\$4,262,015
HCD NPLH	\$5,653,152
HCD NPLH - Non-competitive	\$500,000
HCD NPLH COSR	\$1,768,652
County of Napa	\$1,317,985
County of Napa (Whole Person Care)	\$1,000,000
City of Napa - HTF Loan	\$2,200,000
CDBG-DR**	\$2,664,774
Queen of the Valley**	\$1,000,000
NPLH-Technical Assistance**	\$75,000
GP Equity: Partnership Health Grant	\$1,000,000
Tax Credit Equity	\$26,672,843
TOTAL	\$48,114,421

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

**Sponsor Loan

Determination of Credit Amount(s)

Requested Eligible Basis:	\$24,648,953
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$32,043,639
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,883,928
Approved Developer Fee (in Project Cost & Eligible Basis)	\$2,200,000
Investor/Consultant:	U.S. Bancorp
Federal Tax Credit Factor:	\$0.92488

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$33,456.24

Significant Information / Additional Conditions

Development costs are roughly \$534,605 per unit. The factors affecting this cost includes high real estate costs for the area, removal of a backup generator on site, and costs to reconfigure and repurpose an existing structure.

The repurposed units at Heritage House will not be individually metered, and the sponsor will pay for all utilities, while the newly constructed units at Valle Verde will be separately metered with tenants only paying for electric.

This project will include the new construction of a building consisting of 24 total units and the adaptive reuse of an existing 74-room assisted living facility constructed in 1988 and vacant since 2004. The assisted living facility is located adjacent to the new construction site and will be renovated and reconfigured to include 66 total units. Upon completion, the project will include LI TC units and 2 manager’s units.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Napa, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Special Needs project within ½ mile of facility serving tenant population	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
In-unit high speed internet service	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Other Services Specialist, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
SPECIAL NEEDS HOUSING TYPE			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Fourth Corner Apartments, located at 4021, 4029, 4035, 4037 and 4061 Fairmount Avenue in San Diego, requested and is being recommended for a reservation of \$1,338,479 in annual federal tax credits to finance the new construction of 74 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 Wakeland Housing & Development Corporation and will be located in Senate District 40 and Assembly District 80.

Project Number CA-21-126

Project Name Fourth Corner Apartments
Site Address: 4021, 4029, 4035, 4037 and 4061 Fairmount Avenue
San Diego CA 92105County: San Diego
Census Tract: 0023.02

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,338,479	\$0
Recommended:	\$1,338,479	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Wakeland Price Fourth Corner LP
Contact: Peter Armstrong
Address: 1230 Columbia Street, Suite 950
San Diego CA 92101
Phone: 619-677-2300
Email: parmstrong@wakelandhdc.com

General Partner(s) / Principal Owner(s): Wakeland Price Fourth Corner LLC
General Partner Type: Nonprofit
Parent Company(ies): Wakeland Housing and Development Corporation
Developer: Wakeland Housing and Development Corporation
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): ConAm

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 75
No. & % of Tax Credit Units: 74 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: San Diego County
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of</u>	<u>Percentage of</u>
	<u>Units</u>	<u>Affordable Units</u>
At or Below 30% AMI:	8	10%
At or Below 45% AMI:	15	20%
At or Below 50% AMI:	30	40%
At or Below 60% AMI:	21	25%

Unit Mix

55 2-Bedroom Units
20 3-Bedroom Units
<u>75 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of</u>	<u>Proposed Rent</u>
	<u>Area Median Income</u>	<u>(including utilities)</u>
6 2 Bedrooms	30%	\$818
2 3 Bedrooms	30%	\$945
11 2 Bedrooms	45%	\$1,227
4 3 Bedrooms	45%	\$1,418
22 2 Bedrooms	50%	\$1,363
8 3 Bedrooms	50%	\$1,575
15 2 Bedrooms	60%	\$1,636
6 3 Bedrooms	60%	\$1,890
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,174,651
Construction Costs	\$27,646,155
Rehabilitation Costs	\$0
Construction Contingency	\$1,558,790
Relocation	\$0
Architectural/Engineering	\$1,390,000
Const. Interest, Perm. Financing	\$1,788,271
Legal Fees	\$85,000
Reserves	\$262,890
Other Costs	\$2,848,879
Developer Fee	\$800,000
Commercial Costs	\$200,000
Total	\$40,754,636

Residential

Construction Cost Per Square Foot:	\$271
Per Unit Cost:	\$540,728
True Cash Per Unit Cost*:	\$488,610

Construction Financing

Source	Amount
US Bank	\$22,130,510
Price Philanthropies Soft Loan	\$12,825,000
Price Philanthropies Land Donation	\$3,750,000
RTCIP Fee Waiver	\$178,192
Deferred Costs	\$742,890
Tax Credit Equity	\$1,128,044

Permanent Financing

Source	Amount
US Bank	\$10,126,000
Price Philanthropies Soft Loan	\$14,250,000
Price Philanthropies Land Donation	\$3,750,000
RTCIP Fee Waiver	\$178,192
Tax Credit Equity	\$12,450,444
TOTAL	\$40,754,636

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$11,439,991
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$14,871,988
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,338,479
Approved Developer Fee (in Project Cost & Eligible Basis):	\$800,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.93019

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$13,727.99

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the San Diego Housing Commission, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of a public high school	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

1500 Capitola Road Housing, located at 1412-1514 Capitola Road in Santa Cruz, requested and is being recommended for a reservation of \$2,298,474 in annual federal tax credits to finance the new construction of 56 units of housing serving large families with rents affordable to households earning 30-80% of area median income (AMI). The project will be developed by MidPen Housing Corporation and will be located in Senate District 17 and Assembly District 29.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. This project financing includes state funding from the NPLH program of HCD.

Project Number CA-21-127

Project Name 1500 Capitola Road Housing
Site Address: 1412-1514 Capitola Road
Santa Cruz, CA 95060 County: Santa Cruz
Census Tract: 1214.030

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,298,474	\$0
Recommended:	\$2,298,474	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: MP Live Oak Associates, L.P.
Contact: Jan M. Lindenthal
Address: 303 Vintage Park Drive, Suite 250
Foster City, CA 94404
Phone: 650-356-2900
Email: jlindenthal@midpen-housing.org

General Partner(s) / Principal Owner(s): MP Live Oak LLC
General Partner Type: Nonprofit
Parent Company(ies): Mid-Peninsula San Carlos Corporation
Developer: MidPen Housing Corporation
Investor/Consultant: California Housing Partnership
Management Agent(s): MidPen Property Management Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 57
No. & % of Tax Credit Units: 56 100%
Federal Set-Aside Elected: 40%/60% Average Income
Federal Subsidy: HUD Section 8 Project-based Vouchers (40 units - 71%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Coast Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	14 27%
At or Below 40% AMI:	10 21%
At or Below 50% AMI:	14 27%
At or Below 60% AMI:	13 23%

Unit Mix

26 1-Bedroom Units
15 2-Bedroom Units
16 3-Bedroom Units
<u>57 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
10 1 Bedroom	30%	\$745
3 1 Bedroom	40%	\$993
4 1 Bedroom	50%	\$1,241
7 1 Bedroom	60%	\$1,490
2 1 Bedroom	80%	\$1,986
2 2 Bedrooms	30%	\$894
2 2 Bedrooms	40%	\$1,192
5 2 Bedrooms	50%	\$1,490
1 2 Bedrooms	60%	\$1,788
3 2 Bedrooms	60%	\$1,788
2 2 Bedrooms	80%	\$2,384
2 3 Bedrooms	30%	\$1,033
5 3 Bedrooms	40%	\$1,377
5 3 Bedrooms	50%	\$1,721
1 3 Bedrooms	60%	\$2,065
1 3 Bedrooms	60%	\$2,065
1 3 Bedrooms	80%	\$2,754
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,007,841
Construction Costs	\$30,096,480
Rehabilitation Costs	\$0
Construction Contingency	\$1,744,514
Relocation	\$0
Architectural/Engineering	\$1,448,543
Const. Interest, Perm. Financing	\$2,108,096
Legal Fees	\$130,500
Reserves	\$1,951,716
Other Costs	\$1,629,168
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$43,316,858

Residential

Construction Cost Per Square Foot:	\$512
Per Unit Cost:	\$759,945
True Cash Per Unit Cost*:	\$759,945

Construction Financing

Source	Amount
Wells Fargo	\$31,445,503
County of Santa Cruz	\$5,315,585
CCAH Medi-Cal Capacity Grant**	\$625,000
Deferred Cost	\$3,816,385
Tax Credit Equity	\$2,114,385

Permanent Financing

Source	Amount
Permanent Loan Tranche A	\$2,037,000
Permanent Loan Tranche B	\$11,109,000
HCD NPLH	\$2,243,926
County of Santa Cruz	\$5,315,585
CCAH Medi-Cal Capacity**	\$625,000
Building Electrification Grant**	\$142,500
AHP	\$840,000
Tax Credit Equity	\$21,003,847
TOTAL	\$43,316,858

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

**Sponsor Loan

Determination of Credit Amount(s)

Requested Eligible Basis:	\$19,645,077
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$25,538,600
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,298,474
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.91382

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$34,178.05

Significant Information / Additional Conditions

Staff noted the per unit cost is approximately \$759,945. The applicant noted the costs are attributed to environmental mitigation, local development impact fees, title 24 requirements, HCD reserve requirements and increased insurance costs.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the County of Santa Cruz, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ¼ mile of a neighborhood market of at least 5,000 sf	4	4	4
Within 1 mile of a public elementary school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Rialto Metrolink South, located on the north side of W. Bonnie View Drive, between S. Riverside Avenue and S. Willow Avenue in Rialto, requested and is being recommended for a reservation of \$1,835,507 in annual federal tax credits to finance the new construction of 54 units of housing serving large families with rents affordable to households earning 30%-60% AMI of area median income (AMI). The project will be developed by Related Development Company of California, LLC and will be located in Senate District 20 and Assembly District 47.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-128

Project Name Rialto Metrolink South
Site Address: North side of W. Bonnie View Drive, between S. Riverside Avenue and S. Willow Avenue
Rialto, CA 92376 County: San Bernardino
Census Tract: 37.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,835,507	\$0
Recommended:	\$1,835,507	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Rialto Metrolink South Housing Partners, L.P.
Contact: Frank Cardone
Address: 18201 Von Karman Avenue, Suite 900
Irvine, CA 92612
Phone: (949) 660-7272
Email: fcardone@related.com

General Partner(s) / Principal Owner(s): Related/Rialto Metrolink South Development Co., LLC
CORE Rialto Metro South MGP, LLC
HPI Rialto, LLC
General Partner Type: Joint Venture
Parent Company(ies): The Related Companies of California, LLC
National Community Renaissance of California
Housing Partners I, Incorporated
Developer: Related Development Company of California, LLC
Investor/Consultant: Wells Fargo Affordable Housing CDC
Management Agent(s): National Community Renaissance of California

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 55
 No. & % of Tax Credit Units: 54 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Project-based Section 8 Vouchers (8 units - 15%) / HOME

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Inland Empire Region

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 6	10%
At or Below 40% AMI: 9	15%
At or Below 50% AMI: 22	40%

Unit Mix

23 1-Bedroom Units
15 2-Bedroom Units
17 3-Bedroom Units
<u>55 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$435
2 1 Bedroom	40%	\$592
1 1 Bedroom	40%	\$592
10 1 Bedroom	50%	\$726
8 1 Bedroom	60%	\$871
2 2 Bedrooms	30%	\$523
2 2 Bedrooms	40%	\$711
1 2 Bedrooms	40%	\$711
6 2 Bedrooms	50%	\$871
3 2 Bedrooms	60%	\$1,046
2 3 Bedrooms	30%	\$604
3 3 Bedrooms	40%	\$822
6 3 Bedrooms	50%	\$1,007
6 3 Bedrooms	60%	\$1,209
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,328,904
Construction Costs	\$16,224,882
Rehabilitation Costs	\$0
Construction Contingency	\$1,126,189
Relocation	\$0
Architectural/Engineering	\$1,720,000
Const. Interest, Perm. Financing	\$818,000
Legal Fees	\$200,000
Reserves	\$133,000
Other Costs	\$3,018,000
Developer Fee	\$1,800,000
Commercial Costs	\$0
Total	\$28,368,975

Residential

Construction Cost Per Square Foot:	\$361
Per Unit Cost:	\$515,800
True Cash Per Unit Cost*:	\$515,800

Construction Financing

Source	Amount
Wells Fargo Bank, N.A. - Construction Loan	\$15,794,478
County of San Bernardino - HOME	\$2,250,000
Rialto Housing Authority	\$4,550,000
Rialto Housing Authority - Land Loan	\$3,030,000
Deferred Developer Fee	\$900,000
Deferred Reserves	\$133,000
Deferred Fees	\$23,000
Tax Credit Equity	\$1,688,498

Permanent Financing

Source	Amount
CCRC - Permanent Loan	\$1,053,000
CCRC - Tranche B Perm Loan	\$601,000
County of San Bernardino - HOME	\$2,250,000
Rialto Housing Authority	\$4,550,000
Rialto Housing Authority - Land Loan	\$3,030,000
Tax Credit Equity	\$16,884,975
TOTAL	\$28,368,975

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$15,688,094
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$20,394,522
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,835,507
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,800,000
Investor/Consultant:	Wells Fargo Affordable Housing CDC
Federal Tax Credit Factor:	\$0.91991

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First: No
Second: No
Third: \$27,810.71

Significant Information / Additional Conditions

Development costs are roughly \$515,800 per unit. The factors affecting this cost includes land costs, Rialto's high development impacts fees and permit processing fees, higher construction costs due to materials, a solar photovoltaic system included in the project.

The applicant has requested the use of a CUAC utility allowance. Projects with subsidy from HUD are required to use Utility Allowances approved by HUD. The applicant’s use of the CUAC for Rialto Metrolink South (CA-21-128) is subject to approval by HUD. TCAC staff will review the CUAC documentation prior to placing in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

Local Reviewing Agency

The Local Reviewing Agency, City of Rialto, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ¾ mile of public park or community center open to general public	2	2	2
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 3/4 mile of a public elementary school, and the site is within the attendance zone	2	2	2
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Madera Place, located at Stadium Road and Milano Lane in Madera, requested and is being recommended for a reservation of \$962,952 in annual federal tax credits to finance the new construction of 31 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 Corporation for Better Housing and will be located in Senate District 12 and Assembly District 5.

Project Number CA-21-130

Project Name Madera Place
Site Address: Stadium Road and Milano Lane
Madera CA, 93637 County: Madera
Census Tract: 5.020

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$962,952	\$0
Recommended:	\$962,952	\$0

*Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Madera 2, L.P., a California limited partnership
Contact: Lori Koester
Address: 20750 Ventura Blvd., Suite155
Woodland Hills CA, 91364
Phone: (818) 905-2430
Email: lkoester@corpoffices.org

General Partner(s) / Principal Owner(s): Corporation for Better Housing
General Partner Type: Nonprofit
Parent Company(ies): Corporation for Better Housing
Developer: Corporation for Better Housing
Investor/Consultant: Alliant Capital, Ltd.
Management Agent(s): WinnResidential California LP

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 32
No. & % of Tax Credit Units: 31 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Central Valley Region
 TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 4	12%
At or Below 45% AMI: 7	22%
At or Below 50% AMI: 13	41%
At or Below 80% AMI: 7	22%

Unit Mix

16 2-Bedroom Units
16 3-Bedroom Units
<u>32 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 2 Bedrooms	30%	\$471
3 2 Bedrooms	45%	\$706
6 2 Bedrooms	50%	\$785
4 2 Bedrooms	60%	\$942
2 3 Bedrooms	30%	\$543
4 3 Bedrooms	45%	\$815
7 3 Bedrooms	50%	\$906
3 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$70,000
Construction Costs	\$6,559,554
Rehabilitation Costs	\$0
Construction Contingency	\$432,978
Relocation	\$0
Architectural/Engineering	\$322,000
Const. Interest, Perm. Financing	\$771,000
Legal Fees	\$150,000
Reserves	\$61,300
Other Costs	\$817,735
Developer Fee	\$1,290,000
Commercial Costs	\$0
Total	\$10,474,567

Residential

Construction Cost Per Square Foot:	\$203
Per Unit Cost:	\$327,330
True Cash Per Unit Cost*:	\$307,670

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Pacific Western Bank	\$8,000,000	Pacific Western Bank	\$1,104,000
Tax Credit Equity	\$1,613,885	Deferred Developer Fee	\$629,124
		Solar Tax Credit Equity	\$74,873
		Tax Credit Equity	\$8,666,570
		TOTAL	\$10,474,567

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$8,231,187
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$10,700,543
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$962,952
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,290,000
Investor/Consultant:	Alliant Capital, Ltd.
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$22,525.19

Significant Information / Additional Conditions: None

The applicant is requesting the use of a CUAC utility allowance. However the project is not receiving any Section 8 Project Based Vouchers.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ¾ mile of public park or community center open to general public	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1/4 mile of a Public High School	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Kelseyville Terrace, located at 5400 Gaddy Lane in Kelseyville, requested and is being recommended for a reservation of \$2,349,613 in annual federal tax credits to finance the new construction of 68 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 Corporation for Better Housing and will be located in Senate District 2 and Assembly District 4.

Project Number CA-21-131

Project Name Kelseyville Terrace
Site Address: 5400 Gaddy Lane
Kelseyville, CA 95451 County: Lake
Census Tract: 10.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,349,613	\$0
Recommended:	\$2,349,613	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Kelseyville 2, L.P., a California limited partnership
Contact: Lori Koester
Address: 20750 Ventura Boulevard, Suite 155
Woodland Hills, CA 91364
Phone: (818) 905-24
Email: lkoester@corpoffices.org

General Partner(s) / Principal Owner(s): Corporation for Better Housing
General Partner Type: Nonprofit
Parent Company(ies): Corporation for Better Housing
Developer: Corporation for Better Housing
Investor/Consultant: Alliant Capital, Ltd.
Management Agent(s): WinnResidential California LP

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 69
No. & % of Tax Credit Units: 68 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of</u>	<u>Percentage of</u>
<u>Units</u>	<u>Units</u>	<u>Affordable Units</u>
At or Below 30% AMI:	7	10%
At or Below 45% AMI:	11	16%
At or Below 50% AMI (Rural):	34	50%
At or Below 60% AMI:	16	24%

Unit Mix

20 1-Bedroom Units
29 2-Bedroom Units
20 3-Bedroom Units
<u>69 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of</u>	<u>Proposed Rent</u>
	<u>Area Median Income</u>	<u>(including utilities)</u>
2 1 Bedroom	30%	\$392
3 1 Bedroom	45%	\$588
10 1 Bedroom	50%	\$653
5 1 Bedroom	60%	\$784
3 2 Bedrooms	30%	\$471
5 2 Bedrooms	45%	\$706
14 2 Bedrooms	50%	\$785
6 2 Bedrooms	60%	\$942
2 3 Bedrooms	30%	\$543
3 3 Bedrooms	45%	\$815
10 3 Bedrooms	50%	\$906
5 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$343,694
Construction Costs	\$16,819,846
Rehabilitation Costs	\$0
Construction Contingency	\$1,040,993
Relocation	\$0
Architectural/Engineering	\$750,162
Const. Interest, Perm. Financing	\$1,481,000
Legal Fees	\$185,000
Reserves	\$134,600
Other Costs	\$1,780,755
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$24,736,050

Residential

Construction Cost Per Square Foot:	\$290
Per Unit Cost:	\$358,493
True Cash Per Unit Cost*:	\$343,344

Construction Financing

Source	Amount
Pacific Western Bank	\$19,000,000
Tax Credit Equity	\$3,900,095

Permanent Financing

Source	Amount
Pacific Western Bank	\$2,816,800
Deferred Developer Fee	\$1,045,339
Solar Tax Credit Equity	\$197,321
Tax Credit Equity	\$20,676,590
TOTAL	\$24,736,050

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$20,084,171
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$26,109,422
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,349,613
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Alliant Capital, Ltd.
Federal Tax Credit Factor:	\$0.88000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	No
Second	No
Third	\$27,642.51

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.

Local Reviewing Agency

The Local Reviewing Agency, the City of Lakeport, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax

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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of a public high school	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3
In-unit high speed internet service (Rural set-aside only)	3	3	3
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Baumgardner Terrace, located at 28195 Highway 101 in Cloverdale, requested and is being recommended for a reservation of \$2,627,741 in annual federal tax credits to finance the new construction of 100 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 Corporation for Better Housing and will be located in Senate District 2 and Assembly

Project Number CA-21-132

Project Name Baumgardner Terrace
Site Address: 28195 Highway 101
Cloverdale, CA 95425 County: Sonoma
Census Tract: 1542.020

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,627,741	\$0
Recommended:	\$2,627,741	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: 28100 Highway 101, L.P., a California limited partnership
Contact: Lori Koester
Address: 20750 Ventura Blvd., Suite 155
Woodland Hills, CA 91364
Phone: (818) 905-2430
Email: lkoester@corpoffices.org

General Partner(s) / Principal Owner(s): Corporation for Better Housing
Integrated Community Development, LLC
General Partner Type: Joint Venture
Parent Company(ies): Corporation for Better Housing
Integrated Community Development, LLC
Developer: Corporation for Better Housing
Investor/Consultant: Alliant Capital, Ltd.
Management Agent(s): WinnResidential California LP

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 101
No. & % of Tax Credit Units: 100 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 10	10%
At or Below 45% AMI: 15	15%
At or Below 50% AMI (Rural): 50	50%
At or Below 60% AMI: 25	25%

Unit Mix

51 1-Bedroom Units
25 2-Bedroom Units
25 3-Bedroom Units
<u>101 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 1 Bedroom	30%	\$654
7 1 Bedroom	45%	\$982
24 1 Bedroom	50%	\$1,091
15 1 Bedroom	60%	\$1,309
3 2 Bedrooms	30%	\$785
4 2 Bedrooms	45%	\$1,177
13 2 Bedrooms	50%	\$1,308
5 2 Bedrooms	60%	\$1,570
3 3 Bedrooms	30%	\$907
4 3 Bedrooms	45%	\$1,361
13 3 Bedrooms	50%	\$1,512
5 3 Bedrooms	60%	\$1,815
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,438,800
Construction Costs	\$23,338,956
Rehabilitation Costs	\$0
Construction Contingency	\$1,536,947
Relocation	\$0
Architectural/Engineering	\$938,100
Const. Interest, Perm. Financing	\$2,405,000
Legal Fees	\$210,000
Reserves	\$323,222
Other Costs	\$4,143,553
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$36,534,578

Residential

Construction Cost Per Square Foot:	\$289
Per Unit Cost:	\$361,728
True Cash Per Unit Cost*:	\$351,724

Construction Financing

Source	Amount
Pacific Western Bank	\$30,000,000
Tax Credit Equity	\$4,834,578

Permanent Financing

Source	Amount
Pacific Western Bank	\$11,890,000
Deferred Developer Fee	\$1,010,483
Solar Equity	\$247,198
Tax Credit Equity	\$23,386,897
TOTAL	\$36,534,578

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$22,461,571
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$29,200,042
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,627,741
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Alliant Capital, Ltd.
Federal Tax Credit Factor:	\$0.89000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First: No
Second: No
Final: \$22,128.35

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/8 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of medical clinic or hospital	2	2	2
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Deer Creek Apartments II, located at Native Oak Drive east of Bruce Road in Chico, requested and is being recommended for a reservation of \$1,874,977 in annual federal tax credits to finance the new construction of 47 units of housing serving large families with rents affordable to households earning 40-60% of area median income (AMI). The project will be developed by Pacific West Communities and will be located in Senate District 4 and Assembly District 3.

Project Number CA-21-134

Project Name Deer Creek Apartments II
Site Address: Native Oak Drive east of Bruce Road
Chico CA, 95928 County: Butte
Census Tract: 16.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,874,977	\$0
Recommended:	\$1,874,977	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Chico Pacific Associates III, 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) / Principal Owner(s): TPC Holdings IX, LLC
Butte County Affordable Housing Development Corp.
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Butte County Affordable Housing Development Corp.
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Financial
Management Agent(s): Cambridge Real Estate Services

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 48
No. & % of Tax Credit Units: 47 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>	
At or Below 30% AMI:	5	10%
At or Below 40% AMI:	8	17%
At or Below 50% AMI:	19	40%
At or Below 60% AMI:	15	31%

Unit Mix

6 1-Bedroom Units
30 2-Bedroom Units
12 3-Bedroom Units
<u>48 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 1 Bedroom	40%	\$523
3 1 Bedroom	50%	\$653
2 1 Bedroom	60%	\$784
3 2 Bedrooms	30%	\$471
4 2 Bedrooms	40%	\$628
12 2 Bedrooms	50%	\$785
10 2 Bedrooms	60%	\$942
2 3 Bedrooms	30%	\$543
3 3 Bedrooms	40%	\$725
4 3 Bedrooms	50%	\$906
3 3 Bedrooms	60%	\$1,087
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$820,978
Construction Costs	\$12,171,806
Rehabilitation Costs	\$0
Construction Contingency	\$1,050,000
Relocation	\$0
Architectural/Engineering	\$595,000
Const. Interest, Perm. Financing	\$731,100
Legal Fees	\$50,000
Reserves	\$165,506
Other Costs	\$1,613,842
Developer Fee	\$0
Commercial Costs	\$0
Total	\$17,198,232

Residential

Construction Cost Per Square Foot:	\$303
Per Unit Cost:	\$358,297
True Cash Per Unit Cost*:	\$358,297

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
California Bank & Trust	\$16,000,000	California Bank & Trust	\$1,450,000
Deferred Costs	\$165,506	Tax Credit Equity	\$15,748,232
Tax Credit Equity	\$1,032,726	TOTAL	\$17,198,232

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,025,447
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$20,833,081
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,874,977
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$31,119.95

Significant Information / Additional Conditions:

Deer Creek Apartments II (“Phase II”) will include centralized open space and a covered picnic area. A centrally located swimming pool, basketball half-court, and outdoor children's playground which are being constructed as part of Phase I (Deer Creek Apartments) will also be available for use by residents of Phase II. Prior to the start of construction, a joint use agreement shall be in place. The Joint Use Agreement shall be provided in the placed in service submission.

The project is being developed as a simultaneous phase. The developer fees for both phases comply with the requirements for simultaneous phases pursuant to TCAC Regulation Section 10327(c)(2)(C). There is no developer fee associated with Deer Creek Apartments II (“Phase II”). The first phase, Deer Creek Apartments (“Phase I”) (CA-20-192), is slated to begin construction within six months of Phase II and is located adjacent to the proposed project. Phase I has a developer fee of \$2,200,000.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency, the City of Chico, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¾ mile of public park or community center open to general public	2	2	2
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within ¾ mile of a public school	2	2	2
Within 1 mile of medical clinic or hospital	2	2	2
Highest or High Resources Area	8	8	8
Service Amenities	10	10	10
LARGE FAMILY			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Coalinga Pacific Apartments, located at Pacific Avenue & Elm Avenue in Coalinga, requested and is being recommended for a reservation of \$1,317,260 in annual federal tax credits to finance the new construction of 75 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 12 and Assembly District 31.

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

Project Number CA-21-136

Project Name Coalinga Pacific Apartments
Site Address: Pacific Avenue & Elm Avenue
Coalinga CA 93210
County: Fresno
Census Tract: 81.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,317,260	\$0
Recommended:	\$1,317,260	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Coalinga Family 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) / Principal Owner(s): TPC Holdings IX, LLC
Central Valley Coalition for Affordable Housing
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Central Valley Coalition for Affordable Housing
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Financial
Management Agent(s): Buckingham Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 8
Total # of Units: 76
No. & % of Tax Credit Units: 75 100%
Federal Set-Aside Elected: 40%/60%

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Valley Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 16	20%
At or Below 50% AMI (Rural): 34	45%
At or Below 60% AMI: 25	30%

Unit Mix

32 2-Bedroom Units
36 3-Bedroom Units
8 4-Bedroom Units
76 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 2 Bedrooms	30%	\$471
14 2 Bedrooms	50%	\$785
11 2 Bedrooms	60%	\$942
7 3 Bedrooms	30%	\$543
15 3 Bedrooms	50%	\$906
13 3 Bedrooms	60%	\$1,041
2 4 Bedrooms	30%	\$606
5 4 Bedrooms	50%	\$1,011
1 4 Bedrooms	60%	\$1,213
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$397,000
Construction Costs	\$18,358,977
Rehabilitation Costs	\$0
Construction Contingency	\$1,210,000
Relocation	\$0
Architectural/Engineering	\$545,000
Const. Interest, Perm. Financing	\$1,069,900
Legal Fees	\$70,000
Reserves	\$317,002
Other Costs	\$1,995,999
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$26,163,878

Residential

Construction Cost Per Square Foot:	\$243
Per Unit Cost:	\$344,262
True Cash Per Unit Cost*:	\$344,262

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
California Bank & Trust	\$22,500,000	California Bank & Trust	\$3,850,000
Deferred Costs	\$317,002	HCD - AHSC Loan	\$11,250,000
Deferred Developer Fee	\$2,200,000	Tax Credit Equity	\$11,063,878
Tax Credit Equity	\$1,146,876	TOTAL	\$26,163,878

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$11,258,631
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$14,636,220
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,317,260
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$12,368.64

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Coalinga, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Van or dial-a-ride service for rural set-aside	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within ½ mile of a neighborhood market of at least 5,000 sf	4	4	4
Within 1½ mile of a public high school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Sunrise Village Senior Apartments, located at 1470 Highway 99 in Gridley, requested and is being recommended for a reservation of \$834,384 in annual federal tax credits to finance the new construction of 36 units of housing serving seniors 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 4 and Assembly District 3.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the MHP program(s) of HCD.

Project Number CA-21-138

Project Name Sunrise Village Senior Apartments
Site Address: 1470 Highway 99
Gridley, CA 95948 County: Butte
Census Tract: 34.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$834,384	\$0
Recommended:	\$834,384	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Gridley Senior 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) / Principal Owner(s): TPC Holdings IX, LLC
Butte County Affordable Housing Development Corp.
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Butte County Affordable Housing Development Corp.
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Financial
Management Agent(s): Cambridge Real Estate Services

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 37
No. & % of Tax Credit Units: 36 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: CDBG / HUD Section 8 Project Based Vouchers (36 Units - 100%)

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Jonghyun(Tommy), Shim

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	20%
At or Below 40% AMI: 4	10%
At or Below 50% AMI (Rural): 14	35%
At or Below 60% AMI: 10	25%

Unit Mix

31 1-Bedroom Units
6 2-Bedroom Units
<u>37 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
6 1 Bedroom	30%	\$392
3 1 Bedroom	40%	\$523
13 1 Bedroom	50%	\$653
9 1 Bedroom	60%	\$784
2 2 Bedrooms	30%	\$471
1 2 Bedrooms	40%	\$628
1 2 Bedrooms	50%	\$785
1 2 Bedrooms	60%	\$942
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$482,739
Construction Costs	\$9,065,823
Rehabilitation Costs	\$0
Construction Contingency	\$660,000
Relocation	\$0
Architectural/Engineering	\$545,000
Const. Interest, Perm. Financing	\$628,600
Legal Fees	\$60,000
Reserves	\$240,065
Other Costs	\$1,316,315
Developer Fee	\$1,832,802
Commercial Costs	\$0
Total	\$14,831,344

Residential

Construction Cost Per Square Foot:	\$348
Per Unit Cost:	\$400,847
True Cash Per Unit Cost*:	\$400,847

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
California Bank & Trust	\$11,300,000	California Bank & Trust	\$2,250,000
City of Gridley - Fee Deferral	\$195,480	HCD - MHP Loan	\$4,900,000
City of Gridley - CDBG	\$477,739	City of Gridley - Fee Deferral	\$195,480
Deferred Costs	\$240,065	City of Gridley - CDBG	\$477,739
Deferred Developer Fee	\$1,832,802	Tax Credit Equity	\$7,008,125
Tax Credit Equity	\$785,258	TOTAL	\$14,831,344

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$7,131,483
130% High Cost Adjustment:	Yes
Requested Eligible Basis:	\$7,131,483
Applicable Fraction:	100.00%
Qualified Basis:	\$9,270,928
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$834,384
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,832,802
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$22,399.57

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
SPECIAL NEEDS HOUSING TYPE			
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Riverbend Family Apartments II, located at 223 Table Mountain Boulevard in Oroville, requested and is being recommended for a reservation of \$2,005,871 in annual federal tax credits to finance the new construction of 48 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 4 and Assembly District 3.

Project Number CA-21-140

Project Name Riverbend Family Apartments II
Site Address: 223 Table Mountain Boulevard
Oroville, CA 95965County: Butte
Census Tract: 25.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,005,871	\$0
Recommended:	\$2,005,871	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Oroville Family Associates II, a California Limited Partnership
Contact: Caleb Roope
Address: 430 East State Street, Suite 100
Eagle, ID 83616
Phone: 208.461.0022
Email: calebr@tpchousing.com

General Partner(s) / Principal Owner(s): TPC Holdings IX, LLC
Butte County Affordable Housing Development Corporati
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Butte County Affordable Housing Development Corporati
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Financial
Management Agent(s): Cambridge Real Estate Services

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 48
No. & % of Tax Credit Units: 48 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 5	10%
At or Below 40% AMI: 5	10%
At or Below 50% AMI (Rural): 24	50%
At or Below 60% AMI: 14	25%

Unit Mix

36 2-Bedroom Units
12 3-Bedroom Units
<u>48 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 2 Bedrooms	30%	\$471
3 2 Bedrooms	40%	\$628
18 2 Bedrooms	50%	\$785
12 2 Bedrooms	60%	\$942
2 3 Bedrooms	30%	\$543
2 3 Bedrooms	40%	\$725
6 3 Bedrooms	50%	\$906
2 3 Bedrooms	60%	\$1,087

Project Cost Summary at Application

Land and Acquisition	\$485,000
Construction Costs	\$11,655,968
Rehabilitation Costs	\$0
Construction Contingency	\$800,000
Relocation	\$0
Architectural/Engineering	\$595,000
Const. Interest, Perm. Financing	\$722,400
Legal Fees	\$50,000
Reserves	\$212,253
Other Costs	\$2,127,010
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$18,847,631

Residential

Construction Cost Per Square Foot:	\$276
Per Unit Cost:	\$392,659
True Cash Per Unit Cost*:	\$392,659

Construction Financing

<u>Source</u>	<u>Amount</u>
California Bank & Trust	\$15,000,000
Deferred Developer Fee	\$2,200,000
Deferred Costs	\$212,253
Tax Credit Equity	\$1,435,378

Permanent Financing

<u>Source</u>	<u>Amount</u>
California Bank & Trust	\$2,000,000
Tax Credit Equity	\$16,847,631
TOTAL	\$18,847,631

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$17,144,195
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$22,287,454
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,005,871
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$31,839.22

Significant Information / Additional Conditions

This project is Phase II of Riverbend Family Apartments (CA-20-199). Both phases will be managed by an onsite property manager located in Phase I and share community facilities and services. Prior to the start of construction, all necessary agreements shall be in place to ensure that Phase II has sufficient property management and access to the required community spaces and services free of charge. The Reciprocal Maintenance and Use Agreement shall be included in the placed in service submission.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Oroville, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1½ miles of a public high school	3	3	3
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Mitchell Avenue Senior Apartments II, located at 660 Mitchell Avenue in Oroville requested and is being recommended for a reservation of \$1,320,879 in annual federal tax credits to finance the new construction of 35 units of housing serving seniors 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 4 and Assembly District 3.

Project Number CA-21-141

Project Name Mitchell Avenue Senior Apartments II
Site Address: 660 Mitchell Avenue
Oroville, CA 95965 County: Butte
Census Tract: 28.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,320,879	\$0
Recommended:	\$1,320,879	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Oroville Senior Associates II, a California Limited Partnership
Contact: Caleb Roope
Address: 430 E. State Street, Suite 100
Eagle, CA 83616
Phone: 208.461.0022
Email: calebr@tpchousing.com

General Partner(s) / Principal Owner(s): TPC Holdings IX, LLC
Butte County Affordable Housing Development Corp.

General Partner Type: Joint Venture

Parent Company(ies): The Pacific Companies
Butte County Affordable Housing Development Corp.

Developer: Pacific West Communities, Inc.

Investor/Consultant: Boston Financial

Management Agent(s): Cambridge Real Estate Services

Project Information

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 35

No. & % of Tax Credit Units: 35 100%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Seniors
Geographic Area: Northern Region
TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 4	10%
At or Below 40% AMI: 4	10%
At or Below 50% AMI (Rural): 18	50%
At or Below 60% AMI: 9	30%

Unit Mix

29 1-Bedroom Units
6 2-Bedroom Units
<u>35 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 1 Bedroom	30%	\$392
3 1 Bedroom	40%	\$523
15 1 Bedroom	50%	\$653
8 1 Bedroom	60%	\$784
1 2 Bedrooms	30%	\$471
1 2 Bedrooms	40%	\$628
3 2 Bedrooms	50%	\$785
1 2 Bedrooms	60%	\$942

Project Cost Summary at Application

Land and Acquisition	\$355,000
Construction Costs	\$7,243,350
Rehabilitation Costs	\$0
Construction Contingency	\$580,000
Relocation	\$0
Architectural/Engineering	\$445,000
Const. Interest, Perm. Financing	\$492,500
Legal Fees	\$50,000
Reserves	\$103,866
Other Costs	\$1,152,006
Developer Fee	\$1,472,552
Commercial Costs	\$0
Total	\$11,894,274

Residential

Construction Cost Per Square Foot:	\$294
Per Unit Cost:	\$339,836
True Cash Per Unit Cost*:	\$338,408

Construction Financing

Source	Amount
California Bank & Trust	\$9,300,000
Deferred Costs	\$103,866
Deferred Developer Fee	\$1,472,552
Tax Credit Equity	\$1,017,856

Permanent Financing

Source	Amount
California Bank & Trust	\$750,000
Deferred Developer Fee	\$50,000
Tax Credit Equity	\$11,094,274
TOTAL	\$11,894,274

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$11,289,563
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$14,676,432
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,320,879
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,472,552
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie-Breaker Information

First:	No
Second:	No
Third:	\$36,188.47

Significant Information / Additional Conditions

This project is the second phase, built adjacent to an existing tax credit project, Mitchell Avenue Senior Apartments, CA-20-198. The applicant has provided a reciprocal use and maintenance agreement to share the manager's unit and community facilities between both phases of the project, which together total 71 units. An updated reciprocal and maintenance agreement will be required at placed-in-service, and must be provided at that time.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Oroville, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit station or public bus stop	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Senior project within ½ mile of daily operated senior center/facility	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Magnolia Place Senior Apartments II, located at 12th Street and Elm Street in Greenfield, requested and is being recommended for a reservation of \$924,180 in annual federal tax credits to finance the new construction of 32 units of housing serving seniors 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 12 and Assembly District 30.

Magnolia Place Senior Apartments II will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-144

Project Name Magnolia Place Senior Apartments II
Site Address: 12th Street and Elm Street
Greenfield, CA 93927 County: Monterey
Census Tract: 112.030

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$924,180	\$0
Recommended:	\$924,180	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Greenfield Senior Associates II, 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) / Principal Owner(s): TPC Holdings IX, LLC
Central Valley Coalition for Affordable Housing
General Partner Type: Joint Venture
Parent Company(ies): The Pacific Companies
Central Valley Coalition for Affordable Housing
Developer: Pacific West Communities, Inc.
Investor/Consultant: Boston Financial
Management Agent(s): Buckingham Property Management

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 2
 Total # of Units: 32
 No. & % of Tax Credit Units: 32 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / Project-based Vouchers (32 units - 100%)

Information

Set-Aside: N/A
 Housing Type: Seniors
 Geographic Area: Central Coast Region
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 4	12%
At or Below 40% AMI: 4	12%
At or Below 50% AMI (Rural): 16	50%
At or Below 60% AMI: 8	25%

Unit Mix

26 1-Bedroom Units
6 2-Bedroom Units
32 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
3 1 Bedroom	30%	\$572
3 1 Bedroom	40%	\$763
13 1 Bedroom	50%	\$953
7 1 Bedroom	60%	\$1,144
1 2 Bedrooms	30%	\$687
1 2 Bedrooms	40%	\$916
3 2 Bedrooms	50%	\$1,145
1 2 Bedrooms	60%	\$1,374

Project Cost Summary at Application

Land and Acquisition	\$720,000
Construction Costs	\$8,928,747
Rehabilitation Costs	\$0
Construction Contingency	\$950,000
Relocation	\$0
Architectural/Engineering	\$595,000
Const. Interest, Perm. Financing	\$605,000
Legal Fees	\$50,000
Reserves	\$211,869
Other Costs	\$1,012,401
Developer Fee	\$1,793,344
Commercial Costs	\$0
Total	\$14,866,361

Residential

Construction Cost Per Square Foot:	\$400
Per Unit Cost:	\$464,574
True Cash Per Unit Cost*:	\$464,574

Construction Financing

Source	Amount
California Bank & Trust	\$11,300,000
City of Greenfield - Land Loan	\$720,000
Deferred Developer Fee	\$1,793,344
Deferred Costs	\$211,869
Tax Credit Equity	\$841,148

Permanent Financing

Source	Amount
California Bank & Trust	\$6,100,000
City of Greenfield - Land Loan	\$720,000
City of Greenfield - Fee Deferral	\$284,025
Tax Credit Equity	\$7,762,336
TOTAL	\$14,866,361

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$7,898,971
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$10,268,662
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$924,180
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,793,344
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.83992

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Tie-Breaker Information

First:	No
Second:	No
Third:	\$ 27,587.46

Significant Information / Additional Conditions

This project is the second phase, built adjacent to an existing tax credit project, Magnolia Place Senior Apartments, CA-2014-047. The applicant has provided a reciprocal use and maintenance agreement to share the manager's unit and community facilities between both phases of the project, which together total 64 units. An updated reciprocal and maintenance agreement will be required at placed-in-service, and must be provided at that time.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3
Within ½ mile of public library	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Lincoln Avenue Apartments, located at 1855 Lincoln Avenue in Calistoga, requested and is being recommended for a reservation of \$2,659,262 in annual federal tax credits to finance the new construction of 77 units of housing serving large families with rents affordable to households earning 30-80% of area median income (AMI). The project will be developed by For the Future Housing, Inc. and will be located in Senate District 3 and Assembly District 4.

Project Number CA-21-157

Project Name Lincoln Avenue Apartments
Site Address: 1855 Lincoln Avenue
Calistoga, CA 94515 County: Napa
Census Tract: 2020.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,659,262	\$0
Recommended:	\$2,659,262	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: For the Future Housing, Inc.
Contact: Jim Rendler
Address: 950 S. Bascom Avenue, #1014
San Jose, CA 95128
Phone: (408)891-8303
Email: jrendler@ftfhousing.com

General Partner(s) / Principal Owner(s): For the Future Housing, Inc.
Pacific Housing, Inc.
General Partner Type: For Profit
Parent Company(ies): For the Future Housing, Inc.
Pacific Housing, Inc.
Developer: For the Future Housing, Inc.
Investor/Consultant: Boston Financial Investment Management
Management Agent(s): FPI Management, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 78
No. & % of Tax Credit Units: 77 100%
Federal Set-Aside Elected: 40%/60% Average Income
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Northern Region
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
At or Below 30% AMI:	8	10%
At or Below 40% AMI:	16	22%
At or Below 50% AMI:	37	48%
At or Below 60% AMI:	8	10%
At or Below 80% AMI:	8	10%

Unit Mix

38 1-Bedroom Units
20 2-Bedroom Units
20 3-BedroomUnits

78 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
4 1 Bedroom	80%	\$1,706
4 1 Bedroom	60%	\$1,279
17 1 Bedroom	50%	\$1,066
8 1 Bedroom	40%	\$853
4 1 Bedroom	30%	\$639
2 2 Bedrooms	80%	\$2,048
2 2 Bedrooms	60%	\$1,536
10 2 Bedrooms	50%	\$1,280
4 2 Bedrooms	40%	\$1,024
2 2 Bedrooms	30%	\$768
2 3 Bedrooms	80%	\$2,365
2 3 Bedrooms	60%	\$1,773
10 3 Bedrooms	50%	\$1,478
4 3 Bedrooms	40%	\$1,182
2 3 Bedrooms	30%	\$886
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,200,000
Construction Costs	\$19,500,000
Rehabilitation Costs	\$0
Construction Contingency	\$1,275,000
Relocation	\$0
Architectural/Engineering	\$745,000
Const. Interest, Perm. Financing	\$2,089,583
Legal Fees	\$115,000
Reserves	\$241,578
Other Costs	\$4,267,201
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$34,633,362

Residential

Construction Cost Per Square Foot:	\$318
Per Unit Cost:	\$444,017
True Cash Per Unit Cost*:	\$435,043

Construction Financing

<u>Source</u>	<u>Amount</u>
Pacific Western Bank	\$27,500,000
City of Calistoga Loan	\$2,000,000
Deferred Developer Fee	\$1,700,000
Tax Credit Equity	\$3,433,362

Permanent Financing

<u>Source</u>	<u>Amount</u>
Pacific Western Bank	\$8,000,000
City of Calistoga Loan	\$2,000,000
Deferred Developer Fee	\$700,000
Tax Credit Equity	\$23,933,362
TOTAL	\$34,633,362

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$22,728,740
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$29,547,362
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,659,262
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Boston Financial Investment Management
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	No
Second	No
Third	\$28,905.02

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, The City of Calistoga, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/8 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1/4 mile of a neighborhood market of at least 5,000 sf	4	4	4
Within 1 mile of a public high school	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Paradise Gardens III, located at 1040 Buschmann Road in Paradise, requested \$1,126,120 in annual federal tax credits but is being recommended for a reservation of \$1,119,901 in annual federal tax credits (see "Significant Information / Additional Conditions" below) to finance the new construction & acquisition and rehabilitation of 47 units of housing serving seniors with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Impact Development Group LLC and will be located in Senate District 4 and Assembly District 3.

Paradise Gardens III will be receiving rental assistance in the form of a HUD Project-based Section 8 Housing Assistance Payment Contract.

Project Number CA-21-159

Project Name Paradise Gardens III
Site Address: 1040 Buschmann Road
Paradise, CA 95969 County: Butte
Census Tract: 22.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,126,120	\$0
Recommended:	\$1,126,120	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Impact Development Group LLC
Contact: Cynthia Michels
Address: 235 Montgomery Street, 30th Floor
San Francisco, CA 94104
Phone: 310-386-2464
Email: cmichels@impactdevgroup.com

General Partner(s) / Principal Owner(s): IDG Paradise Gardens LLC
NHC MGP I LLC
General Partner Type: Joint Venture
Parent Company(ies): Impact Development Group LLC
National Housing Corporation
Developer: Impact Development Group LLC
Investor/Consultant: Boston Financial
Management Agent(s): Hyder Property Management Professionals

Project Information

Construction Type: New Construction and Acquisition & Rehabilitation
 Total # Residential Buildings: 12
 Total # of Units: 48
 No. & % of Tax Credit Units: 47 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project-based Contract (47 units - 100%)

Information

Set-Aside: N/A
 Housing Type: Seniors
 Geographic Area: Northern Region
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 47	100%

Unit Mix

<u>48 1-Bedroom Units</u>
48 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
47 1 Bedroom	30%	\$392
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$7,500,000
Construction Costs	\$10,573,000
Rehabilitation Costs	\$0
Construction Contingency	\$579,400
Relocation	\$0
Architectural/Engineering	\$85,000
Const. Interest, Perm. Financing	\$607,037
Legal Fees	\$130,000
Reserves	\$117,086
Other Costs	\$271,988
Developer Fee	\$1,808,231
Commercial Costs	\$0
Total	\$21,671,742

Residential

Construction Cost Per Square Foot:	\$352
Per Unit Cost:	\$451,495
True Cash Per Unit Cost*:	\$451,272

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
JP Morgan Chase	\$10,400,000	JP Morgan Chase	\$4,070,000
NAC MGP LLC Capital Contribution	\$7,511,940	NAC MGP LLC Capital Contribution	\$7,511,940
Deferred Fees and Costs	\$1,788,759	Deferred Developer Fee	\$10,695
Tax Credit Equity	\$2,027,016	Tax Credit Equity	\$10,079,107
		TOTAL	\$21,671,742

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$9,571,803
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$12,443,344
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,126,120
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,808,231
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.90000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie-Breaker Information

First:	Yes
Second:	No
Third:	\$23,960.00

Significant Information / Additional Conditions

Paradise Gardens III development is a re-build of a project that was largely destroyed by the Camp Fire of 2018. The proposed application includes a total of 12 buildings, 10 new construction buildings and 2 buildings that will be substantially rehabilitated.

CTCAC staff determined the application is ineligible for acquisition credits. As a result, staff reduced the maximum annual federal credit to \$1,119,901, a reduction from the \$1,126,120 requested.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Paradise, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1 1/2 miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 100 hrs per 100 bdrms	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Pippin Phase II, located between Atkinson Lane and Brewington Avenue in Watsonville, requested and is being recommended for a reservation of \$3,796,670 in annual federal tax credits to finance the new construction of 79 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 MidPen Housing Corporation and will be located in Senate District 17 and Assembly District 30.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from HCD's Joe Serna, Jr. Farmworker Housing program.

Project Number CA-21-160

Project Name Pippin Phase II
Site Address: Between Atkinson Lane and Brewington Avenue
Watsonville, CA 95076
Census Tract: 1102.000 County: Santa Cruz

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$3,796,670	\$0
Recommended:	\$3,796,670	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Mid-Peninsula San Carlos Corporation
Contact: Jan M. Lindenthal
Address: 303 Vintage Park Drive, Suite 250
Foster City, CA 94404
Phone: 650-356-2900
Email: jlindenthal@midpen-housing.org

General Partner(s) / Principal Owner(s): MP Berry Farms LLC
General Partner Type: Nonprofit
Parent Company(ies): Mid-Peninsula San Carlos Corporation
Developer: MidPen Housing Corporation
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): MidPen Property Management Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 3
Total # of Units: 80
No. & % of Tax Credit Units: 79 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (37 units - 46%)

Information

Set-Aside: N/A
Housing Type: Large Family
Average Targeted Affordability: 47.34%
Geographic Area: Central Coast Region
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
At or Below 30% AMI:	20	25%
At or Below 50% AMI:	40	51%
At or Below 60% AMI:	19	24%

Unit Mix

32 1-Bedroom Units
24 2-Bedroom Units
24 3-BedroomUnits
80 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
14 1 Bedroom	30%	\$745
3 2 Bedrooms	30%	\$894
3 3 Bedrooms	30%	\$1,033
13 1 Bedroom	50%	\$1,241
13 2 Bedrooms	50%	\$1,490
14 3 Bedrooms	50%	\$1,721
5 1 Bedroom	60%	\$1,489
7 2 Bedrooms	60%	\$1,788
7 3 Bedrooms	60%	\$2,065
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,347,026
Construction Costs	\$38,692,568
Rehabilitation Costs	\$0
Construction Contingency	\$2,244,930
Relocation	\$0
Architectural/Engineering	\$2,123,785
Const. Interest, Perm. Financing	\$3,498,679
Legal Fees	\$100,000
Reserves	\$966,918
Other Costs	\$3,803,251
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$56,977,157

Residential

Construction Cost Per Square Foot:	\$428
Per Unit Cost:	\$712,214
True Cash Per Unit Cost*:	\$712,214

Construction Financing

Source	Amount
Union Bank	\$40,348,899
HCD - Joe Serna, Jr. Loan	\$7,421,843
County of Santa Cruz Loan	\$3,500,000
Accrued Interest	\$389,461
Deferred Costs	\$2,129,719
Tax Credit Equity	\$3,187,235

Permanent Financing

Source	Amount
Union Bank Tranche A	\$3,574,000
Union Bank Tranche B	\$8,838,000
HCD - Joe Serna, Jr. Loan	\$7,421,843
County of Santa Cruz Loan	\$3,500,000
Accrued Interest	\$389,461
Tax Credit Equity	\$33,253,853
TOTAL	\$56,977,157

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$32,450,169
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$42,185,220
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$3,796,670
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.87587

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	Yes
Third:	\$39,242.07

Significant Information / Additional Conditions

Staff noted a per unit cost of \$712,214. The applicant noted this is due to traditionally higher cost of construction labor and building materials in the San Francisco Bay region, impact fees, County-required on-site and off-site mitigation and improvement work, requirements to pay prevailing wages, an HCD requirement to fund a transition reserve, and escalating construction-related insurance costs.

The applicant anticipates that the water service will be sub-metered and that the tenants will be billed separately for their water usage by a 3rd party company. Accordingly, the units' utility allowances include a component for water. The applicant is aware that sub-metering the water service and direct billing of the tenants by a 3rd party company must follow certain IRS rules in order to be in compliance. In conjunction with the IRS rules, prior to the issuance of the IRS 8609 forms TCAC will need to confirm that the water service and tenant billing have been implemented correctly. In addition, the TCAC Compliance Section will require specific information regarding the master water bill and each tenant's water usage and water bill when they inspect the project.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/8 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 3/4 mile of a public elementary school	2	2	2
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Pioneer Apartments, located at 1085 Pioneer Avenue in Porterville, requested and is being recommended for a reservation of \$1,769,578 in annual federal tax credits to finance the new construction of 67 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 Chelsea Investment Corporation and will be located in Senate District 14 and Assembly District 26.

Project Number CA-21-161

Project Name Pioneer Apartments
Site Address: 1085 Pioneer Avenue
Porterville, CA 93257 County: Tulare
Census Tract: 35.020

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$1,769,578	\$0
Recommended:	\$1,769,578	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Chelsea Investment Corporation
Contact: Cheri Hoffman
Address: 6339 Paseo Del Lago
Carlsbad, CA 92011
Phone: 760-456-6000
Email: cherihoffman@chelseainvestco.com

General Partner(s) / Principal Owner(s): Chelsea Investment Corporation
Pacific Southwest Community Development Corporation

General Partner Type: Joint Venture

Parent Company(ies): Chelsea Investment Corporation
Pacific Southwest Community Development Corporation

Developer: Chelsea Investment Corporation

Investor/Consultant: Richman Capital

Management Agent(s): CIC Management, Inc.

Project Information

Construction Type: New Construction

Total # Residential Buildings: 5

Total # of Units: 68

No. & % of Tax Credit Units: 67 100%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: None

Information

Set-Aside: N/A
 Housing Type: Large Family
 Geographic Area: Central Valley Region
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
At or Below 30% AMI: 7	10%
At or Below 35% AMI: 7	10%
At or Below 40% AMI: 7	10%
At or Below 45% AMI: 7	10%
At or Below 50% AMI: 7	10%
At or Below 60% AMI: 32	50%

Unit Mix

20 1-Bedroom Units
28 2-Bedroom Units
20 3-Bedroom Units
68 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
10 1 Bedroom	60%	\$784
2 1 Bedroom	50%	\$653
2 1 Bedroom	45%	\$588
2 1 Bedroom	40%	\$523
2 1 Bedroom	35%	\$457
2 1 Bedroom	30%	\$392
12 2 Bedrooms	60%	\$942
3 2 Bedrooms	50%	\$785
3 2 Bedrooms	45%	\$706
3 2 Bedrooms	40%	\$628
3 2 Bedrooms	35%	\$549
3 2 Bedrooms	30%	\$471
10 3 Bedrooms	60%	\$1,087
2 3 Bedrooms	50%	\$906
2 3 Bedrooms	45%	\$815
2 3 Bedrooms	40%	\$725
2 3 Bedrooms	35%	\$634
2 3 Bedrooms	30%	\$543
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$816,000
Construction Costs	\$11,552,500
Rehabilitation Costs	\$0
Construction Contingency	\$757,929
Relocation	\$0
Architectural/Engineering	\$250,000
Const. Interest, Perm. Financing	\$739,989
Legal Fees	\$206,000
Reserves	\$127,896
Other Costs	\$1,378,759
Developer Fee	\$2,142,339
Commercial Costs	\$0
Total	\$17,971,413

Residential

Construction Cost Per Square Foot:	\$211
Per Unit Cost:	\$264,285
True Cash Per Unit Cost*:	\$264,285

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank Construction Loan	\$12,865,305	Citibank Permanent Loan	\$2,930,000
Deferred Costs and Fees	\$1,796,997	Tax Credit Equity	\$15,041,413
Tax Credit Equity	\$3,309,111	TOTAL	\$17,971,413

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$15,124,601
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$19,661,981
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,769,578
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,142,339
Investor/Consultant:	Richman Capital
Federal Tax Credit Factor:	\$0.85000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie-Breaker Information

First: No
Second: No
Third: \$21,129.29

Significant Information / Additional Conditions

The applicant’s estimate of the contractor’s profit, overhead and general re uirement costs exceed the 1 % limit established by TCAC regulations. At final review prior to the issuance of the IRS 8609 tax forms, any costs and basis in excess of the limit will not be allowed.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit station or public bus stop	4	4	4
Within ¾ mile of public park or community center open to general public	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1/4 of a mile of public elementary school	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Miles Lane, located at 139 and 141 Miles Lane in Watsonville, requested and is being recommended for a reservation of \$3,154,168 in annual federal tax credits to finance the new construction of 71 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 Mid-Peninsula The Farm, Inc. and will be located in Senate District 17 and Assembly District 30.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the NPLH and Joe Serna, Jr. FWHG programs of HCD.

Project Number CA-21-169

Project Name Miles Lane
Site Address: 139 and 141 Miles Lane
Watsonville, CA 95076 County: Santa Cruz
Census Tract: 1105.010

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$3,154,168	\$0
Recommended:	\$3,154,168	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: Mid-Peninsula The Farm, Inc.
Contact: Jan M. Lindenthal
Address: 303 Vintage Park Drive, Suite 250
Foster City, CA 94404
Phone: 650-356-2900
Email: jlindenthal@midpen-housing.org

General Partner(s) / Principal Owner(s): MP Miles Lane LLC
General Partner Type: Nonprofit
Parent Company(ies): Mid-Peninsula The Farm, Inc.
Developer: Mid-Peninsula The Farm, Inc.
Investor/Consultant: California Housing Partnership Corporation
Management Agent(s): MidPen Property Management Corp.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 6
Total # of Units: 72
No. & % of Tax Credit Units: 71 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project Based Vouchers (40 Units - 56%)

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Central Coast Region
TCAC Project Analyst: Sopida Steinwert

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI: 8	10%
At or Below 40% AMI: 11	15%
At or Below 50% AMI: 29	40%
At or Below 60% AMI: 23	30%

Unit Mix

16 SRO/Studio Units
19 1-Bedroom Units
18 2-Bedroom Units
19 3-Bedroom Units
<u>72 Total Units</u>

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 SRO/Studio	30%	\$695
2 1 Bedroom	30%	\$745
2 2 Bedrooms	30%	\$894
2 3 Bedrooms	30%	\$1,033
3 SRO/Studio	40%	\$695
3 1 Bedroom	40%	\$993
2 2 Bedrooms	40%	\$1,192
3 3 Bedrooms	40%	\$1,377
7 SRO/Studio	50%	\$695
8 1 Bedroom	50%	\$1,241
6 2 Bedrooms	50%	\$1,490
8 3 Bedrooms	50%	\$1,721
4 SRO/Studio	60%	\$695
6 1 Bedroom	60%	\$1,489
8 2 Bedrooms	60%	\$1,788
5 3 Bedrooms	60%	\$2,065
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,607,810
Construction Costs	\$34,981,441
Rehabilitation Costs	\$0
Construction Contingency	\$2,042,487
Relocation	\$214,000
Architectural/Engineering	\$1,306,000
Const. Interest, Perm. Financing	\$2,735,002
Legal Fees	\$110,500
Reserves	\$753,089
Other Costs	\$3,264,552
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$51,214,881

Residential

Construction Cost Per Square Foot:	\$575
Per Unit Cost:	\$711,318
True Cash Per Unit Cost*:	\$711,318

Construction Financing

Source	Amount
Union Bank	\$36,737,569
City of Watsonville Loan	\$2,335,000
HCD Joe Serna	\$6,752,313
Accrued Interest	\$226,604
Deferred Costs	\$2,356,466
Tax Credit Equity	\$2,806,929

Permanent Financing

Source	Amount
Union Bank	\$12,181,000
City of Watsonville Loan	\$2,335,000
HCD NPLH	\$1,650,678
HCD Joe Serna	\$6,752,313
Accrued Interest	\$226,604
Tax Credit Equity	\$28,069,286
TOTAL	\$51,214,881

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$26,958,699
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$35,046,309
Applicable Rate:	9.00%
Maximum Annual Federal Credit:	\$3,154,168
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.88991

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	Yes
Second:	No
Third:	\$38,047.86

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, the City of Watsonville, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1/2 mile of a public middle school	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

3575 Mendocino Avenue Phase II, located at 3575 Mendocino Avenue in Santa Rosa, requested and is being recommended for a reservation of \$2,096,348 in annual federal tax credits to finance the new construction of 37 units of housing serving seniors with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by Related Development Company of California, LLC and will be located in Senate District 2 and Assembly District 2.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-21-175

Project Name 3575 Mendocino Avenue Phase II
Site Address: 3575 Mendocino Avenue
Santa Rosa, CA 95403 County: Sonoma
Census Tract: 1521.000

Tax Credit Amounts	Federal/Annual *	State/Total
Requested:	\$2,096,348	\$0
Recommended:	\$2,096,348	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: BRJE Phase 2 Housing Partners, L.P.
Contact: Ann Silverberg
Address: 44 Montgomery Street, Suite 1300
San Francisco, CA 94104
Phone: 415-677-9000
Email: asilverberg@related.com

General Partner(s) / Principal Owner(s): Related/BRJE Phase 2 Development Co., LLC
BHDC Mendocino II, LLC

General Partner Type: Joint Venture

Parent Company(ies): The Related Companies of California, LLC
Burbank Housing Development Corporation

Developer: Related Development Company of California, LLC

Investor/Consultant: California Housing Partnership

Management Agent(s): Burbank Housing Management Corporation

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 38
 No. & % of Tax Credit Units: 37 100%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: HUD Section 8 Project-based Vouchers (13 units - 35%)

Information

Set-Aside: N/A
 Housing Type: Seniors
 Geographic Area: Northern Region
 TCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	4 10%
At or Below 40% AMI:	9 20%
At or Below 50% AMI:	16 40%
At or Below 60% AMI:	9 20%

Unit Mix

38 1-Bedroom Units
38 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 1 Bedroom	30%	\$655
9 1 Bedroom	40%	\$873
15 1 Bedroom	50%	\$1,091
9 1 Bedroom	60%	\$1,309
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$641,205
Construction Costs	\$13,985,501
Rehabilitation Costs	\$0
Construction Contingency	\$1,898,550
Relocation	\$0
Architectural/Engineering	\$1,340,000
Const. Interest, Perm. Financing	\$1,767,248
Legal Fees	\$250,000
Reserves	\$127,760
Other Costs	\$1,804,820
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$24,015,084

Residential

Construction Cost Per Square Foot:	\$700
Per Unit Cost:	\$631,976
True Cash Per Unit Cost*:	\$631,976

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
US Bank Construction Loan	\$19,976,075	US Bank Permanent Loan	\$4,626,000
Deferred Costs	\$2,194,600	Tax Credit Equity	\$19,389,084
Tax Credit Equity	\$1,844,408	TOTAL	\$24,015,084

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$17,917,501
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$23,292,751
Applicable Rate:	9.00%
Maximum Annual Federal Credit:	\$2,096,348
Total Maximum Annual Federal Credit:	\$2,096,348
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.92490

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	Yes
Second:	No
Third:	\$56,658.05

Significant Information / Additional Conditions

Development costs are roughly \$631,976 per unit. The factors affecting this cost includes high real estate costs for the area, high costs for an infill site located to several popular amenities, as well as costs to mitigate fire risk in a previous disaster zone.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Santa Rosa, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ¼ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ¾ mile of public park or community center open to general public	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within ½ mile of medical clinic or hospital	3	3	3
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2021 Second Round

September 29, 2021

Napa Cove Apartments, located at 3805 Broadway in American Canyon, requested and is being recommended for a reservation of \$3,433,456 in annual federal tax credits to finance the new construction of 65 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 3 and Assembly District 4.

Project Number CA-21-183

Project Name Napa Cove Apartments
Site Address: 3805 Broadway
American Canyon, CA 94503 County: Napa
Census Tract: 2010.060

Tax Credit Amounts	Federal/Annual*	State/Total
Requested:	\$3,433,456	\$0
Recommended:	\$3,433,456	\$0

* Consolidated Appropriations Act, 2021 (CAA) Federal Credits

Applicant Information

Applicant: CRP Napa Cove Apartments LP
Contact: Paul Salib
Address: 4455 Morena Boulevard, Suite 107
San Diego, CA 92117
Phone: 212-766-1914
Email: psalib@crpaffordable.com

General Partner(s) / Principal Owner(s): CRP Napa Cove Apartments AGP LLC
Pacific Southwest Community Development Corporation
General Partner Type: Joint Venture
Parent Company(ies): CRP Affordable Housing and Community Dev. LLC
Pacific Southwest Community Development Corporation
Developer: CRP Affordable Housing and Community Dev. LLC
Investor/Consultant: Hunt Capital Partners
Management Agent(s): Cambridge Real Estate Services, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 3
Total # of Units: 66
No. & % of Tax Credit Units: 65 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Average Targeted Affordability: 50.00%
Geographic Area: Northern Region
TCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 30% AMI:	13	20%
At or Below 40% AMI:	13	20%
At or Below 60% AMI:	39	60%

Unit Mix

16 1-Bedroom Units
32 2-Bedroom Units
18 3-Bedroom Units
<hr/>
66 Total Units

<u>Unit Type & Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
12 1 Bedroom	60%	\$1,279
2 1 Bedroom	40%	\$853
2 1 Bedroom	30%	\$639
18 2 Bedrooms	60%	\$1,536
7 2 Bedrooms	40%	\$1,024
7 2 Bedrooms	30%	\$768
9 3 Bedrooms	60%	\$1,773
4 3 Bedrooms	40%	\$1,182
4 3 Bedrooms	30%	\$886
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,225,000
Construction Costs	\$22,401,596
Rehabilitation Costs	\$0
Construction Contingency	\$1,447,730
Relocation	\$0
Architectural/Engineering	\$1,430,000
Const. Interest, Perm. Financing	\$2,127,911
Legal Fees	\$260,000
Reserves	\$288,173
Other Costs	\$3,065,588
Developer Fee	\$2,200,000
Commercial Costs	\$0
Total	\$36,445,998

Residential

Construction Cost Per Square Foot:	\$353
Per Unit Cost:	\$552,212
True Cash Per Unit Cost*:	\$552,212

Construction Financing

Source	Amount
Citibank	\$29,012,872
Deferred Costs	\$1,528,173
Tax Credit Equity	\$5,904,953

Permanent Financing

Source	Amount
Citibank	\$6,921,232
Tax Credit Equity	\$29,524,766
TOTAL	\$36,445,998

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$29,345,775
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$38,149,508
Applicable Rate:	9.00%
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,433,456
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Hunt Capital Partners
Federal Tax Credit Factor:	\$0.85991

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Disaster Credit Tie Breaker Information

First:	No
Second:	No
Third:	\$42,128.29

Significant Information / Additional Conditions

Staff noted a per unit cost of \$552,212. The applicant noted this is due to traditionally higher cost of construction labor and building materials in the northern San Francisco Bay region, exacerbated by supply chain issues and labor shortages directly attributable to the COVID pandemic. Other factors include impact fees, acquisition costs, and the large percentage of smaller two-bedroom units that are proportionately more expensive to build.

Resyndication and Resyndication Transfer Event: None

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received points for sustainable building methods (energy efficiency) must submit the certification required by Section 10325(c)(5) at project completion. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/2 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within 1 mile of a middle school	2	2	2
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Smoke Free Residence	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.

AGENDA ITEM 7

Discussion and Consideration of appeals
if filed under CTCAC Regulation
Section 10330(b)(1) for
2021 Second Round Federal Nine
Percent (9%) Low Income Housing Tax
Credit (LIHTC)
Applications

At this time, there are no appeals to present for this agenda item. Should CTCAC receive any appeals, the appeals will be forwarded to the Committee members for review.

AGENDA ITEM 8

Public Comment

AGENDA ITEM 9

Adjournment