CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
December 8, 2021

Canterbury Village, located at 23420 Avenida Rotella in Santa Clarita, requested and is being recommended for a reservation of $934,822 in annual federal tax credits to finance the acquisition and rehabilitation of 63 units of housing with rents affordable to households earning 50% of area median income (AMI). The project will be developed by Beacon Development Group and is located in Senate District 27 and Assembly District 38.

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

Project Number CA-21-670

Project Name Canterbury Village
Site Address: 23420 Avenida Rotella
Santa Clarita, CA 91355 County: Los Angeles
Census Tract: 9203.22

Tax Credit Amounts	**Federal/Annual**	**State/Total**
Requested:	$934,822	$0
Recommended:	$934,822	$0

Applicant Information

Applicant:	Canterbury Village LP
Contact:	Orest Dolyniuk
Address:	6120 Stoneridge Mall Road, Suite 100 Pleasanton, CA 94588
Phone:	818-638-4565
Email:	orestd@beacondevgroup.com

General Partner(s) or Principal Owner(s):	Canterbury Village LLC
General Partner Type:	Nonprofit
Parent Company(ies):	HumanGood Affordable Housng
Developer:	Beacon Development Group
Bond Issuer:	California Municipal Finance Authority
Investor/Consultant:	California Housing Partnership Corporation
Management Agent:	HumanGood Affordable Housing

Project Information

Construction Type:	Acquisition & Rehabilitation	
Total # Residential Buildings:	1	
Total # of Units:	64	
No. / % of Low Income Units:	63	100.00%
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt/HUD Section 8 Project-based Contract-RAD Conversion (62 Units / 97%)	

Information

Housing Type:	Non-Targeted
Geographic Area:	Balance of Los Angeles County
TCAC Project Analyst:	Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting Number of Units		Percentage of Affordable Units
50% AMI:	63	100%

Unit Mix

64 1-Bedroom Units
64 Total Units

Unit Type & Number		2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
63	1 Bedroom	50%	$1,108
1	1 Bedroom	Manager's Unit	$0

Project Cost Summary at Application	
Land and Acquisition	$10,511,550
Construction Costs	$0
Rehabilitation Costs	$5,961,947
Construction Hard Cost Contingency	$894,292
Soft Cost Contingency	$153,121
Relocation	$634,800
Architectural/Engineering	$262,500
Const. Interest, Perm. Financing	$869,526
Legal Fees	$160,000
Reserves	$717,982
Other Costs	$655,386
Developer Fee	$2,500,000
Commercial Costs	$0
Total	**$23,321,104**

Residential

Construction Cost Per Square Foot:	$116
Per Unit Cost:	$364,392
True Cash Per Unit Cost*:	$236,665

Construction Financing

Source	Amount
Citi Community Capital	$11,404,000
Seller Carryback	$8,174,551
Carryback Loan Accrued Interest	$214,749
Transferred Project Reserves	$516,816
Deferred Costs	$2,299,222
General Partner Equity	$100
Tax Credit Equity	$711,666

Permanent Financing

Source	Amount
Citi Community Capital	$3,627,000
Seller Carryback	$8,174,551
Carryback Loan Accrued Interest	$214,749
Sponsor Loan	$2,325,449
Transferred Project Reserves	$516,816
Operating Income	$220,777
General Partner Equity	$100
Tax Credit Equity	$8,241,662
TOTAL	**$23,321,104**

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	$9,124,482
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	$11,508,737
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	$11,861,827
Qualified Basis (Acquisition):	$11,508,737
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	$474,473
Maximum Annual Federal Credit, Acquisition:	$460,349
Total Maximum Annual Federal Credit:	$934,822
Approved Developer Fee (in Project Cost & Eligible Basis):	$2,500,000
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	$0.88163

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 proposed project is a Rental Assistance Demonstration (RAD) project that includes a HUD Project-based Section 8 contract on all 62 low-income rental units.

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.