

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

The Phoenix, located at 801 Pine Street in Oakland, requested and is being recommended for a reservation of \$1,601,705 in annual federal tax credits and \$12,012,785 in total state tax credits to finance the new construction of 100 units of housing serving tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by East Bay Asian Local Development Corporation and will be located in Senate District 9 and Assembly District 15.

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

**Project Number** CA-21-681

**Project Name** The Phoenix  
**Site Address:** 801 Pine Street  
Oakland, CA 94710 County: Alameda  
**Census Tract:** 4017.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$1,601,705	\$12,012,785
Recommended:	\$1,601,705	\$12,012,785

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Applicant Information**

**Applicant:** Phoenix 801 Pine, LP  
**Contact:** Andre Madeira  
**Address:** 1825 San Pablo Avenue, Suite 200  
Oakland, CA 94612  
**Phone:** (510) 606-1840  
**Email:** amadeira@ebaldc.org

**General Partner(s) or Principal Owner(s):** Phoenix 801 Pine, LLC  
Allied 801 Pine LLC

**General Partner Type:** Nonprofit

**Parent Company(ies):** East Bay Asian Local Development Corporation  
Allied Housing Inc.

**Developer:** East Bay Asian Local Development Corporation

**Bond Issuer:** California Municipal Finance Agency

**Investor/Consultant:** California Housing Partnership Corporation

**Management Agent:** East Bay Asian Local Development Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 101  
 No. / % of Low Income Units: 100 100.00%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers  
 (25 Units - 25%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: East Bay Region  
 TCAC Project Analyst: Jonghyun(Tommy), Shim

**55-Year Use / Affordability**

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI: 49	49%
60% AMI: 51	51%

**Unit Mix**

82 SRO/Studio Units  
 3 1-Bedroom Units  
 16 2-Bedroom Units  


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 101 Total Units

<u>Unit Type &amp; Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
40 SRO/Studio	30%	\$719
1 1 Bedroom	30%	\$770
8 2 Bedrooms	30%	\$924
16 SRO/Studio	60%	\$972
2 1 Bedroom	60%	\$1,399
7 2 Bedrooms	60%	\$1,633
26 SRO/Studio	60%	\$972
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,377,501
Construction Costs	\$26,662,366
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,350,689
Soft Cost Contingency	\$220,000
Relocation	\$0
Architectural/Engineering	\$1,981,800
Const. Interest, Perm. Financing	\$2,465,077
Legal Fees	\$118,400
Reserves	\$2,483,768
Other Costs	\$2,295,565
Developer Fee	\$5,222,950
Commercial Costs	\$0
<b>Total</b>	<b>\$44,178,116</b>

**Residential**

Construction Cost Per Square Foot:	\$532
Per Unit Cost:	\$437,407
True Cash Per Unit Cost*:	\$410,645

**Construction Financing**

Source	Amount
Wells Fargo - Tax Exempt	\$22,335,747
Wells Fargo - Taxable	\$7,524,928
City of Oakland Loan	\$4,350,000
City of Oakland Acquisition	\$600,000
City of Oakland Accrued Interest	\$102,216
Deferred Cost	\$4,141,268
Deferred Developer Fee	\$2,702,950
Tax Credit Equity	\$2,421,007

**Permanent Financing**

Source	Amount
HCD - HHC	\$9,114,294
HCD - COSR	\$2,005,988
City of Oakland	\$4,350,000
City of Oakland Acquisition	\$600,000
City of Oakland Accrued Interest	\$102,216
Deferred Developer Fee	\$2,702,950
Tax Credit Equity	\$25,302,668
<b>TOTAL</b>	<b>\$44,178,116</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$40,042,618
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$40,042,618
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,601,705
Total State Credit:	\$12,012,785
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,222,950
Investor/Consultant:	California Housing Partnership Corporation
Federal Tax Credit Factor:	\$0.94223
State Tax Credit Factor:	\$0.85000

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 reservation of tax credits is contingent upon verification by HUD of the rental subsidy contract rent amounts within 180 days of the date of reservation.

**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.