

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report**

**2022 First Round**

**June 15, 2022**

Paseo Adelanto Mixed-Use PSH, located at 32400 Paseo Adelanto in San Juan Capistrano, requested and is being recommended for a reservation of \$1,800,395 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%-50% of area median income (AMI). The project will be developed by Jamboree Housing Corporation and will be located in Senate District 36 and Assembly District 73.

Paseo Adelanto Mixed-Use PSH project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-22-003

**Project Name** Paseo Adelanto Mixed-Use PSH  
Site Address: 32400 Paseo Adelanto  
San Juan Capistrano CA, 92675 County: Orange  
Census Tract: 423.12

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,800,395	\$0
Recommended:	\$1,800,395	\$0

**Applicant Information**

Applicant: Jamboree Housing Corporation  
Contact: Casey Harris  
Address: 17701 Cowan Avenue, Suite 200  
Irvine, CA 92614  
Phone: (949) 214-2341  
Email: charris@jamboreehousing.com

General Partner(s) / Principal Owner(s): Jamboree Housing Corporation  
General Partner Type: Nonprofit  
Parent Company(ies): Jamboree Housing Corporation  
Developer: Jamboree Housing Corporation  
Investor/Consultant: Bank of America  
Management Agent(s): Quality Management Group

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 1  
Total # of Units: 50  
No. & % of Tax Credit Units: 49 100%  
Federal Set-Aside Elected: 40%/60%  
Federal Subsidy: None

**Information**

Set-Aside: Nonprofit (qualified nonprofit organization)  
 Housing Type: Special Needs  
 Type of Special Needs: Homeless/formally homeless, people with disabilities, homeless veterans  
 Average Targeted Affordability of Special Needs/SRO Project Units: 33.67%  
 % of Special Need Units: 81.00%  
 Geographic Area: Orange County  
 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: 40	82%
At or Below 50% AMI (Rural): 9	18%

**Unit Mix**

49 1-Bedroom Units
<u>1 2-Bedroom Units</u>
50 Total Units

<u>Unit Type &amp; Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
30 1 Bedroom	30%	\$283
10 1 Bedroom	30%	\$283
9 1 Bedroom	50%	\$1,261
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$9,150,000
Construction Costs	\$18,477,572
Rehabilitation Costs	\$0
Construction Contingency	\$1,297,611
Relocation	\$0
Architectural/Engineering	\$973,300
Const. Interest, Perm. Financing	\$1,616,563
Legal Fees	\$300,000
Reserves	\$237,880
Other Costs	\$1,828,640
Developer Fee	\$2,200,000
Commercial Costs	\$0
<b>Total</b>	<b>\$36,081,566</b>

## Residential

Construction Cost Per Square Foot:	\$407
Per Unit Cost:	\$721,631
True Cash Per Unit Cost*:	\$721,631

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Bank of America	\$20,100,000	Bank of America	\$5,723,800
City of San Juan Capistrano LMF	\$5,900,000	City of San Juan Capistrano LMF	\$5,900,000
City of San Juan Capistrano	\$1,347,800	MHSA	\$2,384,630
OC Housing Finance Trust	\$3,303,315	City of San Juan Capistrano	\$1,347,800
Deferred Costs	\$1,546,047	OC Housing Finance Trust	\$3,303,315
California Energy Commission EPIC	\$500,000	California Energy Commission EPIC	\$500,000
Tax Credit Equity	\$3,384,404	Tax Credit Equity	\$16,922,021
		<b>TOTAL</b>	<b>\$36,081,566</b>

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

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$17,118,907
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$22,254,579
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,800,395
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	Bank of America
Federal Tax Credit Factor:	\$0.93991

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:	Special Needs
Final:	78.000%

### Significant Information / Additional Conditions

Development costs are roughly \$721,631 per unit. The factors affecting this cost includes civil engineering cost.

**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.

CTCAC 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 CTCAC.

The applicant must pay CTCAC a performance deposit and allocation fee calculated in accordance with regulation. Additionally, CTCAC 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 CTCAC 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, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, 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 CTCAC 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 CTCAC 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.

<b>Points System</b>	<b>Max. Possible Points</b>	<b>Requested Points</b>	<b>Points Awarded</b>
<b>Owner / Management Characteristics</b>	<b>10</b>	<b>10</b>	<b>10</b>
General Partner Experience	7	7	7
Management Experience	3	3	3
<b>Housing Needs</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Site Amenities</b>	<b>15</b>	<b>15</b>	<b>15</b>
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 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
<b>Service Amenities</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>SPECIAL NEEDS HOUSING TYPE</b>			
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
<b>Lowest Income</b>	<b>52</b>	<b>52</b>	<b>52</b>
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
<b>Readiness to Proceed</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Miscellaneous Federal and State Policies</b>	<b>2</b>	<b>2</b>	<b>2</b>
State Credit Substitution	2	2	2
<b>Total Points</b>	<b>109</b>	<b>109</b>	<b>109</b>

**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.**