

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report**

**2022 First Round**

**June 15, 2022**

La Joya Commons, located at 1501 Clyde Fannon Road in Firebaugh, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits and \$8,296,063 in total state tax credits to finance the new construction of 67 units of low-income housing serving large families with rents affordable to households earning 30%-60% of area median income (AMI). The project will be developed by Housing Authority of Fresno County and will be located in Senate District 12 and Assembly District 31.

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

**Project Number** CA-22-007

**Project Name** La Joya Commons  
Site Address: 1501 Clyde Fannon Road  
Firebaugh, California 93622 County: Fresno  
Census Tract: 84.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,500,000	\$8,296,063
Recommended:	\$2,500,000	\$8,296,063

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

**Applicant Information**

Applicant: Firebaugh La Joya Commons, LP  
Contact: Tyrone Roderick Williams  
Address: 1331 Fulton Street  
Fresno, CA 93721  
Phone: 559-443-8475  
Email: twilliams@fresnohousing.org

General Partner(s) / Principal Owner(s): Housing Authority of Fresno County  
Silvercrest, Inc.  
General Partner Type: Nonprofit  
Parent Company(ies): Fresno Housing Authority  
Silvercrest, Inc.  
Developer: Housing Authority of Fresno County, California  
Investor/Consultant: California Housing Partnership  
Management Agent(s): Fresno Housing Authority

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 13  
 Total # of Units: 68  
 No. & % of Tax Credit Units: 67 100%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Section 8 Project-Based Vouchers (34 units - 50%)

**Information**

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

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percent of Required Affordable Units</b>
At or Below 30% AMI:	10	15%
At or Below 45% AMI:	21	31%
At or Below 50% AMI (Rural):	20	30%
At or Below 60% AMI:	16	24%

**Unit Mix**

8 1-Bedroom Units
30 2-Bedroom Units
24 3-Bedroom Units
6 4-Bedroom Units
<hr/> 68 Total Units

<u>Unit Type &amp; Number</u>	<u>2021 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 1 Bedroom	30%	\$392
3 3 Bedrooms	30%	\$543
4 2 Bedrooms	30%	\$471
1 3 Bedrooms	30%	\$543
1 4 Bedrooms	30%	\$606
2 3 Bedrooms	45%	\$815
2 2 Bedrooms	45%	\$706
5 3 Bedrooms	45%	\$815
4 3 Bedrooms	45%	\$815
4 2 Bedrooms	45%	\$706
3 3 Bedrooms	45%	\$815
1 4 Bedrooms	45%	\$910
2 1 Bedroom	50%	\$653
2 3 Bedrooms	50%	\$906
1 1 Bedroom	50%	\$653
4 2 Bedrooms	50%	\$785
2 1 Bedroom	50%	\$653
2 2 Bedrooms	50%	\$785
3 4 Bedrooms	50%	\$1,011
2 1 Bedroom	50%	\$653
1 2 Bedrooms	50%	\$785
1 4 Bedrooms	50%	\$1,011
5 2 Bedrooms	60%	\$942
3 3 Bedrooms	60%	\$1,087
8 2 Bedrooms	60%	\$942
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,378,701
Construction Costs	\$28,559,139
Rehabilitation Costs	\$0
Construction Contingency	\$1,751,162
Relocation	\$719,502
Architectural/Engineering	\$780,000
Const. Interest, Perm. Financing	\$2,811,519
Legal Fees	\$230,000
Reserves	\$162,201
Other Costs	\$1,645,740
Developer Fee	\$2,200,000
Commercial Costs	\$0
<b>Total</b>	<b>\$40,237,964</b>

## Residential

Construction Cost Per Square Foot:	\$339
Per Unit Cost:	\$591,735
True Cash Per Unit Cost*:	\$580,205

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
US Bank	\$35,056,257	US Bank	\$3,112,000
Donated Land	\$784,000	HCD Joe Serna	\$5,000,000
General Partner Capital	\$100	Housing Relinquished Fund Corp	\$2,000,000
Costs Deferred Until Conversion	\$1,575,921	Donated Land	\$784,000
Tax Credit Equity	\$2,821,686	General Partner Capital	\$100
		Tax Credit Equity	\$29,341,864
		<b>TOTAL</b>	<b>\$40,237,964</b>

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

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$27,777,777
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$27,777,777
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Total State Credit:	\$8,296,063
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,200,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.90605
State Tax Credit Factor:	\$0.80648

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:	<b>Large Family</b>
Final:	<b>41.207%</b>

**Significant Information / Additional Conditions:** None.

**Resyndication and Resyndication Transfer Event:** None.

### Local Reviewing Agency

The City of Firebaugh Department of Administration 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

<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 1 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
Public Middle School within 1 mile of project	3	3	3
Within 1 mile of a pharmacy	2	2	2
<b>Service Amenities</b>	<b>10</b>	<b>10</b>	<b>10</b>
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
<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.**