

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
June 15, 2022

Vendra Gardens, located at 150 Casey Road in Moorpark, requested and is being recommended for a reservation of \$5,558,785 in annual federal tax credits and \$32,069,915 in total state tax credits to finance the new construction of 198 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 44 and Assembly District 27.

Project Number CA-22-449

Project Name Vendra Gardens
Site Address: 150 Casey Road
Moorpark, CA 93021 County: Ventura
Census Tract: 76.06

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$5,558,785	\$32,069,915
Recommended:	\$5,558,785	\$32,069,915

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

Applicant Information

Applicant: Community Revitalization and Development Corp.
Contact: David Rutledge
Address: 635 Parkview Avenue
Redding, CA 96001
Phone: (530) 241-6960
Email: david@crdc-housing.org

General Partner(s) or Principal Owner(s): Community Revitalization and Development Corp.
General Partner Type: Joint Venture
Parent Company(ies): Johnson & Johnson Investments, LLC
Community Revitalization and Development Corporation
Developer: Danco Communities
Bond Issuer: CMFA
Investor/Consultant: Raymond James
Management Agent: Danco Property Management

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 8
 Total # of Units: 200
 No. / % of Low Income Units: 198 100.00%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt

Information

Housing Type: Large Family
 Geographic Area: Central Coast Region
 CTCAC Project Analyst: Sarah Gullikson

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	21	11%
40% AMI:	27	14%
50% AMI:	21	11%
60% AMI:	129	65%

Unit Mix

80 1-Bedroom Units
 68 2-Bedroom Units
52 3-Bedroom Units
 200 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
8 1 Bedroom	30%	\$630
8 1 Bedroom	40%	\$841
8 1 Bedroom	50%	\$1,051
56 1 Bedroom	60%	\$1,261
7 2 Bedrooms	30%	\$756
7 2 Bedrooms	40%	\$1,009
7 2 Bedrooms	50%	\$1,261
47 2 Bedrooms	60%	\$1,513
6 3 Bedrooms	30%	\$874
12 3 Bedrooms	40%	\$1,166
6 3 Bedrooms	50%	\$1,457
26 3 Bedrooms	60%	\$1,749
2 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$10,700,000
Construction Costs	\$72,732,482
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$3,636,625
Soft Cost Contingency	\$675,415
Relocation	\$0
Architectural/Engineering	\$2,404,398
Const. Interest, Perm. Financing	\$7,345,550
Legal Fees	\$115,000
Reserves	\$706,977
Other Costs	\$11,494,582
Developer Fee	\$11,541,348
Commercial Costs	\$0
Total	\$121,352,377

Residential

Construction Cost Per Square Foot:	\$770
Per Unit Cost:	\$606,762
True Cash Per Unit Cost*:	\$566,174

Construction Financing

Source	Amount
Pacific Western: Tax-Exempt	\$63,714,448
Pacific Western: Taxable	\$22,025,423
Pacific Western: Tax-Exempt Recycled	\$963,596
Tax Credit Equity	\$34,648,910

Permanent Financing

Source	Amount
Pacific Western	\$33,287,841
City of Moorpark	\$3,890,500
Deferred Developer Fee	\$8,117,558
Solar Tax Credit Equity	\$670,800
Tax Credit Equity	\$75,385,678
TOTAL	\$121,352,377

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$106,899,718
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$138,969,633
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,558,785
Total State Credit:	\$32,069,915
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,541,348
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.86000
State Tax Credit Factor:	\$0.86000

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.

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 reservation 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.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.