

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

Northview Pointe, located at 2314 Northview Drive in Sacramento, requested and is being recommended for a reservation of \$1,543,036 in annual federal tax credits to finance the new construction of 66 units of housing serving special needs tenants with rents affordable to households earning 20%-50% of area median income (AMI). The project will be developed by Excelerate Housing Group LLC and will be located in Senate District 6 and Assembly District 7.

Northview Pointe will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the MHP program of HCD.

Project Number CA-22-512

Project Name Northview Pointe
Site Address: 2314 Northview Drive
Sacramento, CA 95833 County: Sacramento
Census Tract: 70.07

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,543,036	\$0
Recommended:	\$1,543,036	\$0

Applicant Information

Applicant: Northview Pointe LP
Contact: Dana Trujillo
Address: 3910 Cover Street
Long Beach, CA 90808
Phone: 562-268-2700
Email: dana@ehghousing.com

General Partner(s) or Principal Owner(s): Northview Pointe GP LLC
TLCS, INC. dba Hope Cooperative

General Partner Type: Joint Venture

Parent Company(ies): Excelerate Housing Group LLC
TLCS, INC. dba Hope Cooperative

Developer: Excelerate Housing Group LLC

Bond Issuer: Sacramento Housing & Redevelopment Agency

Investor/Consultant: National Equity Fund, Inc.

Management Agent: John Stewart Company, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 67
 No. / % of Low Income Units: 66 100.00%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / Section 8 Project-based Vouchers (66 units - 100%)

Information

Housing Type: Special Needs
 Geographic Area: Capital Region
 TCAC Project Analyst: Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units	Percentage of Affordable Units
20% AMI: 25	38%
30% AMI: 9	14%
50% AMI: 32	48%

Unit Mix

66 SRO/Studio Units
1 2-Bedroom Units
<hr/> 67 Total Units

Unit Type & Number	2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
32 SRO/Studio	50%	\$793
9 SRO/Studio	30%	\$476
25 SRO/Studio	20%	\$317
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$543,596
Construction Costs	\$20,321,700
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,010,685
Soft Cost Contingency	\$415,780
Relocation	\$0
Architectural/Engineering	\$1,064,297
Const. Interest, Perm. Financing	\$2,968,686
Legal Fees	\$180,500
Reserves	\$1,097,144
Other Costs	\$2,626,981
Developer Fee	\$3,050,000
Commercial Costs	\$0
Total	\$33,279,369

Residential

Construction Cost Per Square Foot:	\$527
Per Unit Cost:	\$496,707
True Cash Per Unit Cost*:	\$484,020

Construction Financing

Source	Amount
Citi Community Capital - Tax Exempt	\$15,950,000
Citi Community Capital - Taxable	\$9,031,610
SHRA	\$2,500,000
Deferred Costs	\$2,885,153
Deferred Developer Fee	\$850,000
Tax Credit Equity	\$2,062,606

Permanent Financing

Source	Amount
Citi Community Capital	\$442,000
HCD - MHP	\$15,425,000
SHRA	\$2,500,000
Deferred Developer Fee	\$850,000
Tax Credit Equity	\$14,062,369
TOTAL	\$33,279,369

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$29,673,772
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$38,575,904
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,543,036
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,050,000
Investor/Consultant:	National Equity Fund, Inc.
Federal Tax Credit Factor:	\$0.91134

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.

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.