

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
November 30, 2022

Casa Aliento, located at 1245 N Oxnard Blvd in Oxnard, requested and is being recommended for a reservation of \$1,230,462 in annual federal tax credits to finance the new construction & adaptive reuse of 69 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Community Development Partners and will be located in Senate District 19 and Assembly District 44.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the No Place Like Home (NPLH) program of HCD.

Project Number CA-22-628

Project Name Casa Aliento
 Site Address: 1245 N Oxnard Blvd
 Oxnard, CA 93030 County: Ventura
 Census Tract: 33.00

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,230,462	\$0
Recommended:	\$1,230,462	\$0

Applicant Information

Applicant: Casa Aliento LP
 Contact: Kyle Paine
 Address: 3416 Via Oporto, Suite 301
 Newport Beach, CA 92663
 Phone: 949-922-3578
 Email: kyle@communitydevpartners.com

General Partner(s) or Principal Owner(s): Casa Aliento CDP LLC
 Casa Aliento Mercy House CHDO LLC

General Partner Type: Joint Venture

Parent Company(ies): Community Development Partners
 Mercy House CHDO, Inc.

Developer: Community Development Partners

Bond Issuer: CA Statewide Communities Development Authority

Investor/Consultant: R4 Capital LLC

Management Agent: FPI Management

Project Information

Construction Type: New Construction and Adaptive Reuse
 Total # Residential Buildings: 1
 Total # of Units: 70
 No. / % of Low Income Units: 69 100.00%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt/CBDG/HUD Section 8 Project-based Vouchers
 (40 Units-58%)

Information

Housing Type: Special Needs
 Geographic Area: Central Coast Region
 CTCAC Project Analyst: Cynthia Compton

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	69	100%

Unit Mix

70 SRO/Studio Units
70 Total Units

Unit Type & Number	2022 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
40 SRO/Studio	30%	\$658
29 SRO/Studio	30%	\$658
1 SRO/Studio	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$16,004,000
Construction Costs	\$9,305,379
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$930,538
Soft Cost Contingency	\$325,000
Relocation	\$32,500
Architectural/Engineering	\$650,000
Const. Interest, Perm. Financing	\$2,213,822
Legal Fees	\$250,000
Reserves	\$5,519,208
Other Costs	\$2,444,171
Developer Fee	\$4,012,298
Commercial Costs	\$0
Total	\$41,686,916

Residential

Construction Cost Per Square Foot:	\$386
Per Unit Cost:	\$595,527
True Cash Per Unit Cost*:	\$346,223

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citi Bank - Tax Exempt	\$18,816,752	Mercy House-Seller Carryback	\$15,939,000
Mercy House-Seller Carryback	\$15,939,000	HCD-NPLH Competitive	\$7,234,582
HCD-CDBG	\$3,430,000	HCD-NPLH Noncompetitive	\$1,600,109
Deferred Developer Fee	\$2,455,272	HCD-CDBG	\$3,430,000
Tax Credit Equity	\$1,045,892	Ventura County-PLHA ¹	\$1,512,000
		Deferred Developer Fee	\$1,512,298
		Tax Credit Equity	\$10,458,927
		TOTAL	\$41,686,916

¹Permanent Local Housing Allocation

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$16,556,005
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$14,205,552
Applicable Fraction:	100.00%
Qualified Basis:	\$16,556,005
Qualified Basis (Acquisition):	\$14,205,552
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$662,240
Maximum Annual Federal Credit, Acquisition:	\$568,222
Total Maximum Annual Federal Credit:	\$1,230,462
Approved Developer Fee in Project Cost:	\$4,012,298
Approved Developer Fee in Eligible Basis:	\$4,012,298
Investor/Consultant:	R4 Capital LLC
Federal 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: 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.