

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
December 6, 2023

The Parcel Phase 2.2, located at the northeast corner of Inyo Street and Tavern Road in Mammoth Lakes, requested and is being recommended for a reservation of \$2,337,704 in annual federal tax credits and \$6,990,000 in total state tax credits to finance the new construction of 75 units of housing serving families with rents affordable to households earning 30%-80% of area median income (AMI). The project will be developed by Pacific West Communities, Inc. and will be located in Senate District 4 and Assembly District 8.

The project financing includes state funding from HCD's Infill Infrastructure Grant (IIG) program.

Project Number CA-23-606

Project Name The Parcel Phase 2.2
Site Address: the northeast corner of Inyo Street and Tavern Road
Mammoth Lakes, CA 93546
County: Mono
Census Tract: 2.01

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,337,704	\$6,990,000
Recommended:	\$2,337,704	\$6,990,000

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

Applicant Information

Applicant: Central Valley Coalition for Affordable Housing
Contact: Christina Alley
Address: 3351 M Street, Suite 100
Merced, CA 95348
Phone: 209.388.0782
Email: chris@centralvalleycoalition.com

General Partner(s) or Principal Owner(s): Central Valley Coalition for Affordable Housing
TPC Holdings IX, LLC

General Partner Type: Joint Venture
Parent Company(ies): Central Valley Coalition for Affordable Housing
The Pacific Companies

Developer: Pacific West Communities, Inc.
Bond Issuer: California Municipal Finance Authority (CMFA)
Investor/Consultant: Boston Financial
Management Agent: Buckingham Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 4
Total # of Units: 76
No. / % of Low Income Units: 75 100.00%
Federal Set-Aside Elected: 40%/60% Average Income
Federal Subsidy: Tax-Exempt

Information

Housing Type: Large Family
 Geographic Area: N/A
 CTCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	8	11%
50% AMI:	8	11%
60% AMI:	44	59%
80% AMI:	15	20%

Unit Mix

6 SRO/Studio Units
24 1-Bedroom Units
26 2-Bedroom Units
20 3-Bedroom Units
76 Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
1 SRO/Studio	30%	\$446
1 SRO/Studio	50%	\$743
3 SRO/Studio	60%	\$892
1 SRO/Studio	80%	\$1,190
3 1 Bedroom	30%	\$478
3 1 Bedroom	50%	\$796
15 1 Bedroom	60%	\$956
3 1 Bedroom	80%	\$1,275
3 2 Bedrooms	30%	\$573
3 2 Bedrooms	50%	\$956
16 2 Bedrooms	60%	\$1,147
4 2 Bedrooms	80%	\$1,530
1 3 Bedrooms	30%	\$663
1 3 Bedrooms	50%	\$1,105
10 3 Bedrooms	60%	\$1,326
7 3 Bedrooms	80%	\$1,768
1 3 Bedrooms	Manager Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,210,000
Construction Costs	\$30,764,458
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,700,000
Soft Cost Contingency	\$400,000
Relocation	\$0
Architectural/Engineering	\$790,000
Const. Interest, Perm. Financing	\$2,326,325
Legal Fees	\$100,000
Reserves	\$263,422
Other Costs	\$1,680,365
Developer Fee	\$5,863,807
Commercial Costs	\$0
Total	\$46,098,377

Residential

Construction Cost Per Square Foot:	\$333
Per Unit Cost:	\$606,558
True Cash Per Unit Cost ¹ :	\$542,034

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
CB&T ²	\$24,000,000	CB&T ²	\$5,165,000
CB&T ² - Taxable	\$3,551,668	HCD - IIG	\$1,600,000
HCD - IIG	\$1,600,000	Town of Mammoth Lakes - Loan	\$8,176,741
Town of Mammoth Lakes - Loan	\$8,176,741	Deferred Developer Fee	\$4,903,807
Deferred Costs	\$263,422	Tax Credit Equity	\$26,252,829
Deferred Developer Fee	\$5,863,807	TOTAL	\$46,098,377
Tax Credit Equity	\$2,642,739		

¹ Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

² California Bank & Trust

Determination of Credit Amount(s)

Requested Eligible Basis:	\$44,955,854
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$58,442,610
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,337,704
Total State Credit:	\$6,990,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,863,807
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.85991
State Tax Credit Factor:	\$0.87991

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

The current legal description is part of a larger site and the project site's parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-23-606 must be completed as part of the placed-in-service package.

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.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).