

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
December 11, 2024**

Alveare Parkview, located at 1405 South Broadway in Los Angeles on a 0.94 acre site, requested and is being recommended for a reservation of \$4,958,397 in annual federal tax credits and \$52,330,000 of tax-exempt bond cap to finance the new construction of 105 units of housing, consisting of 104 restricted rental units and 1 unrestricted manager's unit. The project will have 6 studio units, 38 one-bedroom units, 31 two-bedroom units, and 30 three-bedroom units, serving families with rents affordable to households earning 20%-60% of area median income (AMI). The construction is expected to begin in June 2025 and be completed in February 2027. The project will be developed by Related Irvine Development Company, LLC and will be located in Senate District 28 and Assembly District 57.

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 Infill Infrastructure Grant (IIG), Local Government Matching Grant (LGMG), and Affordable Housing and Sustainable Communities (AHSC) programs of HCD.

<b>Project Number</b>	CA-24-654
<b>Project Name</b>	Alveare Parkview
Site Address:	1405 South Broadway Los Angeles, CA 90015
County:	Los Angeles
Census Tract:	2240.10

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$4,958,397	\$0
Recommended:	\$4,958,397	\$0

<b>Tax-Exempt Bond Allocation</b>	
Recommended:	\$52,330,000

<b>CTCAC Applicant Information</b>	
CTCAC Applicant/CDLAC Sponsor:	Alveare Parkview Housing Partners, L.P.
Contact:	Frank Cardone
Address:	18201 Von Karman Avenue, Suite 900 Irvine, CA 92612
Phone:	(949) 660-7272
Email:	fcardone@related.com

<b>Bond Financing Information</b>	
CDLAC Applicant/Bond Issuer:	Housing Authority of the City of Los Angeles (HACLA)
Bond Counsel:	Kutak Rock LLP
Private Placement Purchaser:	U.S. Bank, N.A

**Development Team**

General Partner(s) or Principal Owner(s):	Related/Alveare Parkview Development Co., LLC La Cienega LOMOD, Inc. Weingart Alveare Parkview, LLC
General Partner Type:	Joint Venture
Parent Company(ies):	The Related Companies of California La Cienega LOMOD, Inc. Weingart Alveare Parkview, LLC
Developer:	Related Irvine Development Company, LLC
Investor/Consultant:	U.S. Bancorp Community Development Corporation
Management Agent:	Related Management Company

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	105
No. / % of Low Income Units:	104      100.00%
Average Targeted Affordability:	39.80%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt / HUD Project-based Vouchers (62 Units - 60%)

**Information**

Housing Type:	Large Family
Geographic Area:	City of Los Angeles
State Ceiling Pool:	New Construction
Set Aside:	N/A
CDLAC Project Analyst:	Daisy Andrade
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	44	42%
40% AMI:	18	17%
50% AMI:	20	19%
60% AMI:	22	21%

**Unit Mix**

6 SRO/Studio Units
38 1-Bedroom Units
31 2-Bedroom Units
30 3-Bedroom Units
<b>105 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2024 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
2 SRO/Studio	20%	\$485
2 SRO/Studio	30%	\$728
2 SRO/Studio	40%	\$971
8 1 Bedroom	20%	\$520
8 1 Bedroom	30%	\$780
4 1 Bedroom	40%	\$1,040
8 1 Bedroom	50%	\$1,300
10 1 Bedroom	60%	\$1,560
6 2 Bedrooms	20%	\$624
6 2 Bedrooms	30%	\$936
6 2 Bedrooms	40%	\$1,248
6 2 Bedrooms	50%	\$1,560
6 2 Bedrooms	60%	\$1,872
6 3 Bedrooms	20%	\$721
6 3 Bedrooms	30%	\$1,081
6 3 Bedrooms	40%	\$1,442
6 3 Bedrooms	50%	\$1,803
6 3 Bedrooms	60%	\$2,163
1 2 Bedrooms	Manager's Unit	\$0

#### **Project Cost Summary at Application**

Land and Acquisition	\$396,100
Construction Costs	\$64,358,464
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,886,134
Soft Cost Contingency	\$864,000
Relocation	\$0
Architectural/Engineering	\$3,054,000
Const. Interest, Perm. Financing	\$11,270,221
Legal Fees	\$643,000
Reserves	\$2,219,794
Other Costs	\$3,947,193
Developer Fee	\$11,805,600
Commercial Costs	\$0
<b>Total</b>	<b>\$103,444,506</b>

**Residential**

Construction Cost Per Square Foot:	\$598
Per Unit Cost:	\$985,186
Estimated Hard Per Unit Cost:	\$533,728
True Cash Per Unit Cost*:	\$918,890
Bond Allocation Per Unit:	\$498,381
Bond Allocation Per Restricted Rental Unit:	\$503,173

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
U.S. Bank: Tax-Exempt	\$52,330,000	U.S. Bank: Tax-Exempt	\$1,100,000
U.S. Bank: Taxable	\$15,204,116	U.S. Bank: Taxable	\$11,720,000
HCD: LGMG	\$2,078,154	HCD: LGMG	\$2,078,154
HCD: IIG	\$7,230,000	HCD: AHSC	\$19,665,859
City of LA: ULA <sup>1</sup>	\$10,559,557	HCD: IIG	\$7,230,000
Deferred Operating Deficit	\$721,912	City of LA: ULA <sup>1</sup>	\$10,559,557
Deferred RAD Reserve	\$1,124,000	Deferred Developer Fee	\$6,961,100
Deferred Transition Reserve	\$373,882	General Partner Equity	\$100
Deferred Developer Fee	\$7,203,325	Tax Credit Equity	\$44,129,736
General Partner Equity	\$100	<b>TOTAL</b>	<b>\$103,444,506</b>
Tax Credit Equity	\$6,619,460		

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

<sup>1</sup>United to House LA Accelerator Plus Program

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$95,363,333
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$123,972,333
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,958,397
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,805,600
Federal Tax Credit Factor:	\$0.89000

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.

**CTCAC Significant Information / Additional Conditions**

Staff noted a per unit development cost of \$893,092. The applicant noted that the per unit cost is attributed to prevailing wages, public park cost, parking, premium finishes, site work, demolition, remediation, electrical services, and holding cost.

**CDLAC Analyst Comments:** 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.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 108.773%