

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
April 8, 2025**

The project, 11218-11222 Califa, located at 11218 Califa Street in Los Angeles on a 0.32 acre site, requested and is being recommended for a reservation of \$908,819 in annual federal tax credits and \$11,020,000 of tax-exempt bond cap to finance the new construction of 76 units of housing, consisting of 75 restricted rental units and 1 unrestricted manager's unit. The project will have 46 one-bedroom units, and 30 two-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in September 2025 and be completed in March 2027. The project will be developed by HVN Development, LLC and will be located in Senate District 27 and Assembly District 44.

**Project Number** CA-25-410

**Project Name** 11218-11222 Califa  
Site Address: 11218 Califa Street  
Los Angeles, CA 91601  
County: Los Angeles  
Census Tract: 1242.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$908,819	\$0
Recommended:	\$908,819	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$11,020,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: HVN Development, LLC  
Contact: Tommy Beadel  
Address: 7700 Irvine Center Drive, Suite 780  
Irvine, CA 92618  
Phone: 949-979-0833  
Email: tommy@hvndevelopment.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: CA Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**  
General Partners / Principal Owners: HVN 11218-11222 Califa LLC  
Affordable Housing Alliance II, Inc. dba Integrity Housing  
General Partner Type: Joint Venture  
Parent Companies: HVN Development, LLC  
Affordable Housing Alliance II, Inc.  
Developer: HVN Development, LLC  
Investor/Consultant: Key Community Development Corp.  
Management Agent: Aperto Property Management, Inc.

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	76
No. / % of Low Income Units:	75 100.00%
Average Targeted Affordability:	60.00%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

**Information**

Housing Type:	Non-Targeted
Geographic Area:	City of Los Angeles
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Anthony Wey
CTCAC Project Analyst:	Michael Reichert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	8	11%
50% AMI:	8	11%
60% AMI:	27	36%
70% AMI*:	32	43%

\*CTCAC restricted only

**Unit Mix**

46	1-Bedroom Units
30	2-Bedroom Units
76	Total Units

<b>Unit Type &amp; Number</b>	<b>2024 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
5 1 Bedroom	30%	\$780
3 2 Bedrooms	30%	\$936
5 1 Bedroom	50%	\$1,300
3 2 Bedrooms	50%	\$1,560
16 1 Bedroom	60%	\$1,560
11 2 Bedrooms	60%	\$1,811
20 1 Bedroom	70%	\$1,679
12 2 Bedrooms	70%	\$1,811
1 2 Bedrooms	Manager's Unit	\$2,200

**Project Cost Summary at Application**

Land and Acquisition	\$2,569,451
Construction Costs	\$11,622,940
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$583,747
Soft Cost Contingency	\$225,480
Relocation	\$0
Architectural/Engineering	\$526,670
Const. Interest, Perm. Financing	\$2,327,634
Legal Fees	\$250,000
Reserves	\$314,672
Other Costs	\$882,578
Developer Fee	\$2,279,644
Commercial Costs	\$0
<b>Total</b>	<b>\$21,582,816</b>

**Residential**

Construction Cost Per Square Foot:	\$252
Per Unit Cost:	\$283,984
Estimated Hard Per Unit Cost:	\$134,809
True Cash Per Unit Cost*:	\$280,800

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$11,020,000
Citibank: Recycled Tax-Exempt	\$1,750,000
Citibank: Taxable	\$3,270,000
HVN Holdings, LLC	\$2,501,326
Deferred Costs	\$314,672
Deferred Developer Fee	\$1,595,453
Tax Credit Equity	\$1,131,366

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$11,020,000
Citibank: Recycled Tax-Exempt	\$277,000
HVN Holdings, LLC	\$2,501,326
Deferred Developer Fee	\$242,047
Tax Credit Equity	\$7,542,443
<b>TOTAL</b>	<b>\$21,582,816</b>

\*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$17,477,288
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$22,720,474
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$908,819
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,279,644
Federal Tax Credit Factor:	\$0.82992

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:**

This project's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,300. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,355 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments:** None.

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

The applicant 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:** 171.658%