

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

Second Street Family Apartments, located at 2nd Street and Buena Vista Avenue in Corona on a 3.64 acre site, requested and is being recommended for a reservation of \$3,742,221 in annual federal tax credits and \$40,000,000 of tax-exempt bond cap to finance the new construction of 115 units of housing, consisting of 114 restricted rental units and 1 unrestricted manager's unit. The project will have 6 studio units, 18 one-bedroom units, 46 two-bedroom units, and 45 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in October 2025 and be completed in January 2028. The project will be developed by C&C Development Co., LLC and will be located in Senate District 31 and Assembly District 58.

Project Number	CA-25-431
Project Name	Second Street Family Apartments
Site Address:	2nd Street and Buena Vista Avenue Corona, CA 92882
County:	Riverside
Census Tract:	417.04

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$3,742,221	\$0
Recommended:	\$3,742,221	\$0

Tax-Exempt Bond Allocation	
Recommended:	\$40,000,000

CTCAC Applicant Information	
CTCAC Applicant/CDLAC Sponsor:	Second Street Family LP
Contact:	Eunice Bobert
Address:	414 E. Chapman Avenue Orange, CA 92866
Phone:	(714) 771-1436
Email:	ohdc@ohdcorp.com

Bond Financing Information	
CDLAC Applicant/Bond Issuer:	CMFA
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser:	Bank of America, N.A.

Development Team	
General Partners / Principal Owners:	C&C Second Street Family LLC OHDC Second Street Family LLC
General Partner Type:	Joint Venture
Parent Companies:	C&C Development Co., LLC Orange Housing Development Corporation
Developer:	C&C Development Co., LLC
Investor/Consultant:	National Equity Fund Inc.
Management Agent:	Advanced Property Services Management, Inc.

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	4
Total # of Units:	115
No. / % of Low Income Units:	114 100.00%
Average Targeted Affordability:	60.00%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt / HOME- American Rescue Plan (ARP)

Information

Housing Type:	Large Family
Geographic Area:	Inland Region
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Brandon Medina
CTCAC Project Analyst:	Marilynn Thao

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	12	11%
50% AMI:	12	11%
60% AMI:	42	37%
70% AMI*:	48	42%

Unit Mix

6	SRO/Studio Units
18	1-Bedroom Units
46	2-Bedroom Units
45	3-Bedroom Units
115	Total Units

Unit Type & Number	2024 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
1 SRO/Studio	30%	\$538
1 1 Bedroom	30%	\$576
5 2 Bedrooms	30%	\$691
5 3 Bedrooms	30%	\$799
1 SRO/Studio	50%	\$897
1 1 Bedroom	50%	\$961
5 2 Bedrooms	50%	\$1,152
5 3 Bedrooms	50%	\$1,332
3 SRO/Studio	60%	\$1,077
9 1 Bedroom	60%	\$1,153
16 2 Bedrooms	60%	\$1,383
14 3 Bedrooms	60%	\$1,599
1 SRO/Studio	70%	\$1,256
7 1 Bedroom	70%	\$1,345
20 2 Bedrooms	70%	\$1,613
20 3 Bedrooms	70%	\$1,865
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,030,000
Construction Costs	\$49,346,537
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,410,621
Soft Cost Contingency	\$700,000
Relocation	\$0
Architectural/Engineering	\$1,375,000
Const. Interest, Perm. Financing	\$6,359,397
Legal Fees	\$375,000
Reserves	\$401,800
Other Costs	\$4,806,880
Developer Fee	\$8,622,510
Commercial Costs	\$0
Total	\$78,427,745

Residential

Construction Cost Per Square Foot:	\$424
Per Unit Cost:	\$681,980
Estimated Hard Per Unit Cost:	\$367,753
True Cash Per Unit Cost*:	\$593,406
Bond Allocation Per Unit:	\$347,826
Bond Allocation Per Restricted Rental Unit:	\$606,061

Construction Financing

Source	Amount
Bank of America: Tax-Exempt	\$40,000,000
City of Corona: LMIHAF ¹	\$7,535,000
City of Corona: HOME-ARP	\$529,875
City of Corona: Impact Fee	\$2,000,000
Seller Carryback	\$4,030,000
National Equity Fund	\$13,800,000
Deferred Costs	\$511,600
Deferred Developer Fee	\$8,005,910
General Partner Equity	\$100
Tax Credit Equity	\$2,015,260

Permanent Financing

Source	Amount
CPC ² : Tax-Exempt	\$10,059,470
City of Corona: LMIHAF ¹	\$7,535,000
City of Corona: HOME-ARP	\$529,875
City of Corona: Impact Fee	\$2,000,000
Seller Carryback	\$4,030,000
National Equity Fund	\$13,800,000
Deferred Developer Fee	\$6,156,110
General Partner Equity	\$100
Tax Credit Equity	\$34,317,190
TOTAL	\$78,427,745

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

¹Low & Moderate Income Housing Asset Fund

²Community Preservation Corporation

Determination of Credit Amount(s)

Requested Eligible Basis:	\$71,965,781
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$93,555,515
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,742,221
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,622,510
Federal Tax Credit Factor:	\$0.91703

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

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-25-431 must be completed as part of the placed in service package.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
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
Total Points	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: 87.207%