

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2025 First Round

June 18, 2025

La Trinidad Apartments, located at 3565 East 1st Street in Los Angeles, requested and is being recommended for a reservation of \$2,128,412 in annual federal tax credits to finance the new construction of 65 units of housing serving special needs tenants with rents affordable to households earning 30%-50% of area median income (AMI). The project will be developed by Domus Development, LLC and will be located in Senate District 26 and Assembly District 52.

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 Affordable Housing Trust Fund (AHTF) program of HCD.

Project Number CA-25-036

Project Name La Trinidad Apartments
Site Address: 3565 East 1st Street
Los Angeles, CA 90063
County: Los Angeles
Census Tract: 5311.01

| Tax Credit Amounts | Federal/Annual | State/Total |
|---------------------------|-----------------------|--------------------|
| Requested: | \$2,128,412 | \$0 |
| Recommended: | \$2,128,412 | \$0 |

Applicant Information

Applicant: Domus Development, LLC
Contact: Maurice Ramirez
Address: 9 Cushing, Suite 200
Irvine, CA 92618
Phone: 310-948-5904
Email: maurice@domusd.com

General Partners / Principal Owners: Domus GP LLC
Spectrum GP LLC
Community Resident Services, Inc.
General Partner Type: Joint Venture
Parent Companies: Domus Development, LLC
Spectrum Affordable Housing Corporation
Community Resident Services, Inc.
Developer: Domus Development, LLC
Investor/Consultant: Walker & Dunlop Affordable Equity
Management Agents: Domus Management Company (DMC)

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 66
No. & % of Tax Credit Units: 65 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (50 Units - 77%) / HOME
– ARP (American Rescue Plan)

Information

Set-Aside: Special Needs
Housing Type: Special Needs
Type of Special Needs: Older Adults in Need of Supportive Services
Average Targeted Affordability of Special Needs Project Units: 30.00%
% of Special Need Units: 50 units 76.92%
Geographic Area: Balance of Los Angeles County
CTCAC Project Analyst: Sabrina Yang

55-Year Use / Affordability

| Aggregate Targeting | Number of Units | Percent of Required Affordable Units |
|--------------------------------|----------------------------|---|
| At or Below 30% AMI: | 50 | 75% |
| At or Below 50% AMI: | 15 | 20% |

Unit Mix

| | |
|----|------------------|
| 46 | SRO/Studio Units |
| 19 | 1-Bedroom Units |
| 1 | 2-Bedroom Units |
| 66 | Total Units |

| Unit Type & Number | 2024 Rents Targeted % of Area Median Income | Proposed Rent (including utilities) |
|-------------------------------|--|--|
| 35 SRO/Studio | 30% | \$728 |
| 11 SRO/Studio | 50% | \$1,213 |
| 15 1 Bedroom | 30% | \$780 |
| 4 1 Bedroom | 50% | \$1,300 |
| 1 2 Bedrooms | Manager's Unit | \$0 |

Project Cost Summary at Application

| | |
|----------------------------------|---------------------|
| Land and Acquisition | \$4,103,550 |
| Construction Costs | \$26,268,330 |
| Rehabilitation Costs | \$0 |
| Construction Contingency | \$1,436,374 |
| Relocation | \$0 |
| Architectural/Engineering | \$1,285,515 |
| Const. Interest, Perm. Financing | \$2,562,292 |
| Legal Fees | \$232,650 |
| Reserves | \$280,383 |
| Other Costs | \$2,427,274 |
| Developer Fee | \$2,200,000 |
| Commercial Costs | \$383,146 |
| Total | \$41,179,514 |

Residential

| | |
|------------------------------------|-----------|
| Construction Cost Per Square Foot: | \$479 |
| Per Unit Cost: | \$617,793 |
| True Cash Per Unit Cost*: | \$616,377 |

Construction Financing

| Source | Amount |
|-------------------------------|--------------|
| Citibank | \$21,881,324 |
| LACDA ¹ : AHTF | \$937,277 |
| LACDA ¹ : HOME-ARP | \$7,000,000 |
| Waived Fees | \$94,409 |
| Deferred Costs | \$405,720 |
| Deferred Developer Fee | \$1,830,434 |
| Tax Credit Equity | \$1,830,434 |

Permanent Financing

| Source | Amount |
|-------------------------------|---------------------|
| Citibank | \$6,750,414 |
| LACDA ¹ : AHTF | \$7,000,000 |
| LACDA ¹ : HOME-ARP | \$9,030,350 |
| Waived Fees | \$94,409 |
| Tax Credit Equity | \$18,304,341 |
| TOTAL | \$41,179,514 |

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

¹Los Angeles County Development Authority

Determination of Credit Amount(s)

| | |
|---|--------------|
| Requested Eligible Basis: | \$23,649,020 |
| 130% High Cost Adjustment: | No |
| Applicable Fraction: | 100.00% |
| Qualified Basis: | \$23,649,020 |
| Applicable Rate: | 9.00% |
| Total Maximum Annual Federal Credit: | \$2,128,412 |
| Approved Developer Fee in Project Cost: | \$2,200,000 |
| Approved Developer Fee in Eligible Basis: | \$2,178,000 |
| Federal Tax Credit Factor: | \$0.86000 |

The "as if vacant" land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

| | |
|-------------------|----------------------|
| First: | Special Needs |
| Self-Score Final: | 87.835% |
| CTCAC Final: | 80.233% |

Significant Information / Additional Conditions

The current site of this future 66-unit development is currently operating as a church. The development team intends to incorporate 500 square feet of church office space into the project. The large, multi-purpose room is to be a dedicated space for resident-focused programming. While it may be used from time to time for non-resident use, this is to be ancillary to the primary purpose of the space as required by IRC Section 42(d)(4)(A) and (B). The Eligible Basis Certification at Placed-in-Service must certify to the breakdown of costs for these spaces.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, Los Angeles County Development Authority, has completed a site review of this project and strongly supports this project.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

| Points System | Max. Possible Points | Requested Points | Points Awarded |
|--|-----------------------------|-------------------------|-----------------------|
| Owner / Management Characteristics | 10 | 10 | 10 |
| General Partner Experience | 7 | 7 | 7 |
| Management Experience | 3 | 3 | 3 |
| Housing Needs | 10 | 10 | 10 |
| Site Amenities | 15 | 15 | 15 |
| Within ½ mile of transit, service every 30 min, 25 units/acre density | 7 | 7 | 7 |
| Within ¼ mile of public park or community center open to general public | 2 | 2 | 2 |
| Within 1 mile of public library | 2 | 2 | 2 |
| Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf | 5 | 5 | 5 |
| Senior project within ¼ mile of daily operated senior center/facility | 2 | 2 | 2 |
| Within ½ mile of medical clinic or hospital | 3 | 3 | 3 |
| Within ½ mile of a pharmacy | 2 | 2 | 2 |
| Service Amenities | 10 | 10 | 10 |
| SPECIAL NEEDS, SRO HOUSING TYPES | | | |
| Case Manager, minimum ratio of 1 FTE to 100 bedrooms | 5 | 5 | 5 |
| Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms | 5 | 5 | 5 |
| Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction | 5 | 5 | 5 |
| Health/behavioral services provided by licensed org. or individual | 5 | 5 | 5 |
| Lowest Income | 52 | 52 | 52 |
| Basic Targeting | 50 | 50 | 50 |
| Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less | 2 | 2 | 2 |
| Readiness to Proceed | 10 | 10 | 10 |
| Miscellaneous Federal and State Policies | 2 | 2 | 2 |
| Enhanced Accessibility and Visitability | 2 | 2 | 2 |
| Total Points | 109 | 109 | 109 |

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.