

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2025 First Round

June 18, 2025

Beverly Gardens, located at 4444 Scotts Valley Drive in Scotts Valley, requested and is being recommended for a reservation of \$1,638,000 in annual federal tax credits to finance the new construction of 24 units of housing serving families with rents affordable to households earning 30%-50% of area median income (AMI). The project will be developed by CRP Affordable Housing and Community Development LLC and will be located in Senate District 17 and Assembly District 28.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

Project Number CA-25-062

Project Name Beverly Gardens
Site Address: 4444 Scotts Valley Drive
Scotts Valley, CA 95066
County: Santa Cruz
Census Tract: 1209.02

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,638,000	\$0
Recommended:	\$1,638,000	\$0

Applicant Information

Applicant: CRP Beverly Gardens LP
Contact: Paul Salib
Address: 122 East 42nd Street, Suite 1903
New York, NY 10168
Phone: (646) 518-7280
Email: psalib@crpaffordable.com

General Partners / Principal Owners: PSCDC Beverly LLC
CRP Beverly Gardens AGP LLC
General Partner Type: Joint Venture
Parent Companies: Pacific Southwest Community Development Corporation
CRP Affordable Housing and Community Development LLC
Developer: CRP Affordable Housing and Community Development LLC
Investor/Consultant: CREA, LLC
Management Agent: Cambridge Real Estate Services, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 25
No. & % of Tax Credit Units: 24 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (24 Units - 96%) /
Community Development Block Grant - Disaster Recovery
(CDBG-DR)

Information

Set-Aside: Rural
Housing Type: Large Family
Geographic Area: N/A
CTCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percent of Required Affordable Units
At or Below 30% AMI:	9	35%
At or Below 40% AMI:	9	35%
At or Below 50% AMI (Rural):	6	25%

Unit Mix

5	1-Bedroom Units
11	2-Bedroom Units
9	3-Bedroom Units
25	Total Units

Unit Type & Number	2024 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
5 1 Bedroom	30%	\$1,018
4 2 Bedrooms	50%	\$2,037
5 2 Bedrooms	40%	\$1,629
2 2 Bedrooms	30%	\$1,222
2 3 Bedrooms	50%	\$2,354
4 3 Bedrooms	40%	\$1,883
2 3 Bedrooms	30%	\$1,412
1 3 Bedrooms	Manager Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,675,000
Construction Costs	\$15,000,000
Rehabilitation Costs	\$0
Construction Contingency	\$1,033,898
Relocation	\$0
Architectural/Engineering	\$1,110,625
Const. Interest, Perm. Financing	\$1,934,842
Legal Fees	\$300,000
Reserves	\$425,716
Other Costs	\$2,888,620
Developer Fee	\$2,500,000
Commercial Costs	\$0
Total	\$28,868,701

Residential

Construction Cost Per Square Foot:	\$476
Per Unit Cost:	\$1,154,748
True Cash Per Unit Cost*:	\$1,154,748

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank	\$16,590,678	Citibank	\$8,110,877
CDBG-DR	\$7,000,000	CDBG-DR	\$7,000,000
Deferred Costs	\$1,838,567	Tax Credit Equity	\$13,757,824
Tax Credit Equity	\$3,439,456	TOTAL	\$28,868,701

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$14,000,000
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$18,200,000
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,638,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,500,000
Federal Tax Credit Factor:	\$0.83992

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:	Large Family
Self-Score Final:	83.922%
CTCAC Final:	83.922%

Significant Information / Additional Conditions

Staff noted a per unit development cost of \$1,154,748. The applicant explained that the per unit cost is attributed to a requirement to pay prevailing wages, specialized design requirements, land cost, and the relatively few number of units that minimized economies of scale.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

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 1/3 mile of transit, service every 30 minutes in rush hours	6	6	6
Within 1 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1/2 mile of a public middle school	3	3	3
Within 1 1/2 miles of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
After school program for school age children, minimum of 10 hours/week	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
Smoke Free Residence	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.