

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2025 Second Round

September 30, 2025

Parasol Irvine Affordable, located at Magnet, Ridge Valley, and Great Park Boulevard in Irvine, requested and is being recommended for a reservation of \$2,335,323 in annual federal tax credits and \$4,339,565 in total state tax credits to finance the new construction of 39 units of housing serving families with rents affordable to households earning 30%-60% of area median income (AMI). The project will be developed by Related Development Company of California, LLC and will be located in Senate District 37 and Assembly District 73.

Project Number CA-25-127

Project Name Parasol Irvine Affordable
Site Address: Magnet, Ridge Valley, and Great Park Boulevard
Irvine, CA 92618
County: Orange
Census Tract: 524.39

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,335,323	\$4,339,565
Recommended:	\$2,335,323	\$4,339,565

* The applicant made an election not to sell (Certificate) any portion of the state credits.

Applicant Information

Applicant: Parasol Irvine 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

General Partners / Principal Owners: Related/Parasol Irvine Development Co., LLC
Riverside Charitable Corporation
General Partner Type: Joint Venture
Parent Companies: The Related Companies of California, LLC
Riverside Charitable Corporation
Developer: Related Development Company of California, LLC
Investor/Consultant: U.S. Bancorp Community Development Corporation
Management Agents: RA Management, LLC

Project Information

Construction Type: New Construction
Total # Residential Buildings: 2
Total # of Units: 40
No. & % of Tax Credit Units: 39 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: None

Information

Set-Aside: N/A
Housing Type: Large Family
Geographic Area: Orange County
CTCAC Project Analyst: Michael Couzens

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percent of Required Affordable Units
At or Below 30% AMI:	4	10%
At or Below 40% AMI:	8	20%
At or Below 50% AMI:	23	40%
At or Below 60% AMI:	4	10%

Unit Mix

10	1-Bedroom Units
18	2-Bedroom Units
12	3-Bedroom Units
40	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
8 1 Bedroom	40%	\$1,269
2 1 Bedroom	50%	\$1,586
2 2 Bedrooms	30%	\$1,142
15 2 Bedrooms	50%	\$1,903
2 3 Bedrooms	30%	\$1,320
6 3 Bedrooms	50%	\$2,200
4 3 Bedrooms	60%	\$2,640
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$11,752,000
Construction Costs	\$15,691,512
Rehabilitation Costs	\$0
Construction Contingency	\$793,176
Relocation	\$0
Architectural/Engineering	\$2,505,000
Const. Interest, Perm. Financing	\$2,292,000
Legal Fees	\$230,000
Reserves	\$170,567
Other Costs	\$3,645,899
Developer Fee	\$2,500,000
Commercial Costs	\$0
Total	\$39,580,154

Residential

Construction Cost Per Square Foot:	\$404
Per Unit Cost:	\$989,504
True Cash Per Unit Cost*:	\$697,504

Construction Financing

Source	Amount
U.S. Bank	\$23,218,673
Heritage Fields El Toro, LLC	\$963,899
Land Donation	\$11,680,000
Deferred Costs	\$186,567
Deferred Developer Fee	\$1,250,000
General Partner Equity	\$100
Tax Credit Equity	\$2,280,915

Permanent Financing

Source	Amount
U.S. Bank	\$4,127,000
Heritage Fields El Toro, LLC	\$963,899
Land Donation	\$11,680,000
General Partner Equity	\$100
Tax Credit Equity	\$22,809,155
TOTAL	\$39,580,154

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$25,948,032
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$25,948,032
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,335,323
Total State Credit:	\$4,339,565
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,500,000
Federal Tax Credit Factor:	\$0.82992
State Tax Credit Factor:	\$0.78992

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:	49.166%
CTCAC Final:	49.166%

Significant Information / Additional Conditions

This project is potentially a multi-phase project and is a portion of the entire site. Therefore, 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-25-127 must be completed as part of the Readiness to Proceed 180/194-Day package.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, City of Irvine, 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 public park or community center open to general public	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4
Within ½ mile of a public middle school	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within 1 mile of a pharmacy	1	1	1
In-unit high speed internet service	2	2	2
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3
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.