

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2025 Second Round

September 30, 2025

Oune House, located at 535, 541, 545 San Julian Street in Los Angeles, requested and is being recommended for a reservation of \$2,500,000 in annual federal tax credits and \$10,272,744 in total state tax credits to finance the new construction of 56 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Single Room Occupancy Housing Corporation and will be located in Senate District 28 and Assembly District 57.

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

Project Number CA-25-137

Project Name Oune House
Site Address: 535, 541, 545 San Julian Street
Los Angeles, CA 90013
County: Los Angeles
Census Tract: 2063.01

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,500,000	\$10,272,744
Recommended:	\$2,500,000	\$10,272,744

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant: Single Room Occupancy Housing Corporation
Contact: Greg Smith
Address: 1055 W. 7th Street, Suite 3250
Los Angeles, CA 90017
Phone: 213-229-9640
Email: gregs@srohousing.org

General Partner / Principal Owner: SRO Commercial LLC
General Partner Type: Nonprofit
Parent Company: Single Room Occupancy Housing Corporation
Developer: Single Room Occupancy Housing Corporation
Investor/Consultant: California Housing Partnership
Management Agents: SRO Housing Corporation

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 57
No. & % of Tax Credit Units: 56 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (56 Units - 98%)

Information

Set-Aside: N/A
Housing Type: Special Needs
Type of Special Needs: Homeless
Average Targeted Affordability of Special Needs Project Units: 30.00%
% of Special Need Units: 56 units 100.00%
Geographic Area: City of Los Angeles
CTCAC Project Analyst: Sabrina Yang

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percent of Required Affordable Units
At or Below 30% AMI:	56	80%

Unit Mix

56	SRO/Studio Units
1	1-Bedroom Units
57	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
56 SRO/Studio	30%	\$795
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$4,659,164
Construction Costs	\$24,518,206
Rehabilitation Costs	\$0
Construction Contingency	\$2,200,837
Relocation	\$0
Architectural/Engineering	\$1,019,000
Const. Interest, Perm. Financing	\$3,330,626
Legal Fees	\$125,000
Reserves	\$676,172
Other Costs	\$1,283,100
Developer Fee	\$2,800,000
Commercial Costs	\$0
Total	\$40,612,105

Residential

Construction Cost Per Square Foot:	\$786
Per Unit Cost:	\$712,493
True Cash Per Unit Cost*:	\$712,493

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank	\$28,983,572	Citibank	\$3,368,000
LAHD: AHMP ¹	\$7,056,000	LAHD: AHMP ¹	\$7,056,000
Deferred Costs	\$1,725,622	Tax Credit Equity	\$30,188,105
Tax Credit Equity	\$2,846,911	TOTAL	\$40,612,105

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

¹Los Angeles Housing Department: Affordable Housing Managed Pipeline

Determination of Credit Amount(s)

Requested Eligible Basis:	\$34,242,480
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$44,515,224
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,500,000
Total State Credit:	\$10,272,744
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,800,000
Federal Tax Credit Factor:	\$0.86236
State Tax Credit Factor:	\$0.84000

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

Initial:	Letter of Support
First:	Special Needs
Self-Score Final:	50.258%
CTCAC Final:	50.258%

Significant Information / Additional Conditions: None.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency, Los Angeles Housing Department, 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 1/3 mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1/2 mile of public library	3	3	3
Within 1/2 mile of a weekly farmers' market operating at least 5 months/year	2	2	2
Special Needs project within 1/2 mile of facility serving tenant population	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3
Within 1/2 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
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.