

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2025 Second Round

September 30, 2025

The Linwood Rose, located at 24108 & 24124 Fir Avenue in Moreno Valley, requested and is being recommended for a reservation of \$1,504,463 in annual federal tax credits to finance the new construction of 35 units of housing serving special needs tenants with rents affordable to households earning 30%-40% of area median income (AMI). The project will be developed by Rancho Belago Developers, Inc. and will be located in Senate District 31 and Assembly District 60.

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

Project Number CA-25-140

Project Name The Linwood Rose
Site Address: 24108 & 24124 Fir Avenue
Moreno Valley, CA 92553
County: Riverside
Census Tract: 0425.15

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,504,463	\$0
Recommended:	\$1,504,463	\$0

Applicant Information

Applicant: Linwood Rose, L.P.
Contact: William Leach
Address: 6451 Box Springs Boulevard
Riverside, CA 92507
Phone: (951) 538-6244
Email: william@kingdomdevelopment.net

General Partners / Principal Owners: RBD Linwood Rose, LLC
KDI Linwood Rose, LLC
General Partner Type: Joint Venture
Parent Companies: Rancho Belago Developers, Inc.
Kingdom Development, Inc.
Developer: Rancho Belago Developers, Inc.
Investor/Consultant: CREA, LLC
Management Agents: AWI Property Management

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 36
No. & % of Tax Credit Units: 35 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: HUD Section 8 Project-based Vouchers (35 Units - 97%) /
HOME-American Rescue Plan (ARP)

Information

Set-Aside: N/A
Housing Type: Special Needs
Type of Special Needs: Homeless; At-risk of Homelessness
Average Targeted Affordability of Special Needs Project Units: 38.90%
% of Special Need Units: 35 units 100.00%
Geographic Area: Inland Empire Region
CTCAC Project Analyst: Jacob Couch

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:	31	80%

Unit Mix

35	1-Bedroom Units
1	2-Bedroom Units
36	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
4 1 Bedroom	30%	\$629
31 1 Bedroom	40%	\$838
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$395,000
Construction Costs	\$13,368,767
Rehabilitation Costs	\$0
Construction Contingency	\$1,359,996
Relocation	\$0
Architectural/Engineering	\$1,000,000
Const. Interest, Perm. Financing	\$1,792,185
Legal Fees	\$537,780
Reserves	\$182,125
Other Costs	\$1,794,697
Developer Fee	\$2,731,129
Commercial Costs	\$0
Total	\$23,161,679

Residential

Construction Cost Per Square Foot:	\$544
Per Unit Cost:	\$643,380
True Cash Per Unit Cost*:	\$608,594

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank	\$10,368,511	Citibank	\$3,906,392
City of Moreno Valley	\$180,000	City of Moreno Valley (CoMV)	\$180,000
City of Moreno Valley: Seller Carryback	\$395,000	CoMV: Seller Carryback	\$395,000
City of Moreno Valley: HOME-ARP	\$2,063,000	CoMV: HOME-ARP	\$2,063,000
Riverside County: HOME-ARP	\$3,424,653	Riverside County: HOME-ARP	\$3,424,653
Waived Fees	\$700,518	Waived Fees	\$700,518
Deferred Costs	\$2,329,391	Deferred Developer Fee	\$156,761
Tax Credit Equity	\$3,700,606	Tax Credit Equity	\$12,335,355
		TOTAL	\$23,161,679

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$12,858,657
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$16,716,254
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,504,463
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,731,129
Federal Tax Credit Factor:	\$0.81992

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:	75.203%
CTCAC Final:	75.203%

Significant Information / Additional Conditions: None.

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

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 3/4 mile of public park or community center open to general public	2	2	2
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of an adult education campus or community college	3	3	3
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 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
SPECIAL NEEDS, SRO HOUSING TYPES			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	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
State Credit Substitution	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.