

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
December 10, 2025**

Orchard Terrace, located at 1331 East Foster Road in Santa Maria on a 4.15 acre site, requested and is being recommended for a reservation of \$2,600,157 in annual federal tax credits and \$15,000,000 of tax-exempt bond cap to finance the new construction of 99 units of housing, consisting of 98 restricted rental units and 1 unrestricted manager's unit. The project will have 15 studio units, 33 one-bedroom units, 26 two-bedroom units, and 25 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in May 2026 and be completed in May 2028. The project will be developed by Pacific West Communities, Inc. and will be located in Senate District 21 and Assembly District 37.

Project Number CA-25-696

Project Name Orchard Terrace
Site Address: 1331 East Foster Road
Santa Maria, CA 93455
County: Santa Barbara
Census Tract: 0020.08

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,600,157	\$0
Recommended:	\$2,600,157	\$0

Tax-Exempt Bond Allocation
Recommended: \$15,000,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Santa Maria Orchard Terrace Associates, LP
Contact: Caleb Roope
Address: 430 East State Street, Suite 100
Eagle, ID 83616
Phone: 208.461.0022
Email: calebr@tpchousing.com

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority (CMFA)
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser: Citibank, N.A.

Development Team

General Partners / Principal Owners: Central Valley Coalition for Affordable Housing
 TPC Holdings IX, LLC

General Partner Type: Joint Venture

Parent Companies: Central Valley Coalition for Affordable Housing
 The Pacific Companies

Developer: Pacific West Communities, Inc.

Investor/Consultant: Boston Financial

Management Agent: ConAm Management Corporation

Project Information

Construction Type: New Construction

Total # Residential Buildings: 4

Total # of Units: 99

No. / % of Low Income Units: 98 100.00%

Average Targeted Affordability: 59.90%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

Information

Housing Type: Large Family

Geographic Area: Coastal Region

State Ceiling Pool: New Construction

CDLAC Project Analyst: Brandon Medina

CTCAC Project Analyst: Nick White

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	14	14%
50% AMI:	14	14%
60% AMI:	15	15%
70% AMI*:	55	56%

*CTCAC restricted only

Unit Mix

15 SRO/Studio Units

33 1-Bedroom Units

26 2-Bedroom Units

25 3-Bedroom Units

99 Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 SRO/Studio	30%	\$927
4 SRO/Studio	50%	\$1,545
5 SRO/Studio	60%	\$1,854
2 SRO/Studio	70%	\$1,973
5 1 Bedroom	30%	\$993
5 1 Bedroom	50%	\$1,655
5 1 Bedroom	60%	\$1,986
18 1 Bedroom	70%	\$2,317
4 2 Bedrooms	30%	\$1,191
4 2 Bedrooms	50%	\$1,986
4 2 Bedrooms	60%	\$2,383
13 2 Bedrooms	70%	\$2,730
1 3 Bedrooms	30%	\$1,377
1 3 Bedrooms	50%	\$2,295
1 3 Bedrooms	60%	\$2,754
22 3 Bedrooms	70%	\$3,033
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,507,548
Construction Costs	\$30,998,485
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,600,000
Soft Cost Contingency	\$850,000
Relocation	\$0
Architectural/Engineering	\$1,090,000
Const. Interest, Perm. Financing	\$4,734,100
Legal Fees	\$180,000
Reserves	\$1,323,101
Other Costs	\$4,445,211
Developer Fee	\$6,522,132
Commercial Costs	\$0
Total	\$53,250,577

Residential

Construction Cost Per Square Foot:	\$391
Per Unit Cost:	\$537,885
Estimated Hard Per Unit Cost:	\$271,018
True Cash Per Unit Cost*:	\$500,699
Bond Allocation Per Unit:	\$151,515
Bond Allocation Per Restricted Rental Unit:	\$348,837

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$15,000,000	Citibank: Tax-Exempt	\$20,250,000
Citibank: Taxable	\$20,273,427	Bonneville: Tax-Exempt	\$8,000,000
Bonneville: Tax-Exempt	\$8,000,000	Deferred Developer Fee	\$3,681,422
Deferred Cost	\$1,323,102	Tax Credit Equity	\$21,319,155
Deferred Developer Fee	\$6,522,132	TOTAL	\$53,250,577
Tax Credit Equity	\$2,131,916		

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$50,003,012
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$65,003,916
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,600,157
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,522,132
Federal Tax Credit Factor:	\$0.81992

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, 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. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

CTCAC Significant Information / Additional Conditions: None.

CDLAC Analyst Comments: None.

Resyndication and Resyndication Transfer Event: None.

Standard Conditions

The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 25% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

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 reservation 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.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

If points were awarded by CDLAC for housing type, the project shall comply with the housing type requirements at the time of CTCAC's Placed In Service review. The housing type requirement shall be conditioned in the CTCAC Regulatory Agreement and CTCAC Compliance staff shall verify the project is meeting those housing type requirements, consistent with California Code of Regulations, title 4, section 10322(i).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	0
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

Tie Breaker: 168.645%