

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

Calypso Apartments, located at 130 Center Street in Santa Cruz on a 1.19 acre site, requested and is being recommended for a reservation of \$4,780,844 in annual federal tax credits and \$26,000,000 of tax-exempt bond cap to finance the new construction of 233 units of housing, consisting of 230 restricted rental units and 3 unrestricted manager's units. The project will have 233 studio units, serving tenants 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 December 2028. The project will be developed by Green Valley Corp. dba Swenson and will be located in Senate District 17 and Assembly District 28.

Project Number CA-25-714

Project Name Calypso Apartments
Site Address: 130 Center Street
Santa Cruz, CA 95060
County: Santa Cruz
Census Tract: 1010.02

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$4,780,844	\$0
Recommended:	\$4,780,844	\$0

Tax-Exempt Bond Allocation
Recommended: \$26,000,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: PacH San Jose Holdings, LLC
Contact: Mat Eland
Address: 2115 J Street, Suite 201
Sacramento, CA 95816
Phone: (916) 638-5200
Email: meland@pacifichousing.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser: Berkadia Commercial Mortgage LLC

Development Team
General Partners / Principal Owners: Green Valley Corporation dba Swenson
PacH San Jose Holdings, LLC
General Partner Type: Joint Venture
Parent Companies: Green Valley Corporation dba Swenson
Pacific Housing, Inc.
Developer: Green Valley Corp. dba Swenson
Investor/Consultant: Crea
Management Agent: FPI Management

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	233
No. / % of Low Income Units:	230 100.00%
Average Targeted Affordability:	59.91%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

Information

Housing Type:	Non-Targeted
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Sarah Lester
CTCAC Project Analyst:	Gloria Witherow

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	23	10%
50% AMI:	23	10%
60% AMI:	94	41%
70% AMI*:	90	39%

*CTCAC restricted only

Unit Mix

233	SRO/Studio Units
<hr/> 233	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
90 SRO/Studio	70%	\$2,423
94 SRO/Studio	60%	\$2,077
23 SRO/Studio	50%	\$1,731
23 SRO/Studio	30%	\$1,038
3 SRO/Studio	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$3,075,000
Construction Costs	\$62,628,853
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$3,086,579
Soft Cost Contingency	\$475,272
Relocation	\$0
Architectural/Engineering	\$4,000,000
Const. Interest, Perm. Financing	\$10,627,412
Legal Fees	\$515,000
Reserves	\$1,150,019
Other Costs	\$4,278,438
Developer Fee	\$11,993,290
Commercial Costs	\$0
Total	\$101,829,863

Residential

Construction Cost Per Square Foot:	\$676
Per Unit Cost:	\$437,038
Estimated Hard Per Unit Cost:	\$231,150
True Cash Per Unit Cost*:	\$386,057
Bond Allocation Per Unit:	\$111,588
Bond Allocation Per Restricted Rental Unit:	\$185,714

Construction Financing

Source	Amount
Berkadia: Tax-Exempt	\$26,000,000
Berkadia: Recycled Tax Exempt	\$8,400,000
Berkadia: Taxable	\$44,605,339
Net Operating Income	\$1,150,019
Deferred Developer Fee	\$11,993,290
Tax Credit Equity	\$9,681,215

Permanent Financing

Source	Amount
Berkadia: Taxable	\$49,755,000
Net Operating Income	\$1,471,479
Deferred Developer Fee	\$11,878,524
Tax Credit Equity	\$38,724,860
TOTAL	\$101,829,863

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$91,948,559
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$119,533,127
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,780,844
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,993,290
Federal Tax Credit Factor:	\$0.81000

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:

This Project's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$5,670. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,087 on agreement of the permanent lender and equity investor.

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	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	120	110	119

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: 296.890%