

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

Bakersfield Senior Affordable Housing, located at 530 4th Street in Bakersfield on a 1.77 acre site, requested and is being recommended for a reservation of \$973,049 in annual federal tax credits and \$5,400,000 of tax-exempt bond cap to finance the new construction of 36 units of housing, consisting of 35 restricted rental units and 1 unrestricted manager's unit. The project will have 35 one-bedroom units, and 1 two-bedroom unit, serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in May 2026 and be completed in August 2027. The project will be developed by Housing Authority of the County of Kern and will be located in Senate District 12 and Assembly District 32.

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

Project Number CA-25-750

Project Name Bakersfield Senior Affordable Housing
Site Address: 530 4th Street
Bakersfield, CA 93304
County: Kern
Census Tract: 20.01

| Tax Credit Amounts | Federal/Annual | State/Total |
|---------------------------|-----------------------|--------------------|
| Requested: | \$973,049 | \$0 |
| Recommended: | \$973,049 | \$0 |

Tax-Exempt Bond Allocation
Recommended: \$5,400,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Housing Authority of the County of Kern
Contact: Stephen M. Pelz
Address: 601 24th Street
Bakersfield, CA 93301
Phone: 661-631-8500
Email: spelz@kernha.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: Housing Authority of the County of Kern
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Banc of California

Development Team

General Partners / Principal Owners: Golden Empire Affordable Housing
 Housing Authority of the County of Kern
 General Partner Type: Nonprofit
 Parent Companies: Housing Authority of the County of Kern
 Housing Authority of the County of Kern
 Developer: Housing Authority of the County of Kern
 Investor/Consultant: PNC Bank
 Management Agent: Housing Authority of the County of Kern

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 36
 No. / % of Low Income Units: 35 100.00%
 Average Targeted Affordability: 43.43%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (35 Units - 100%)

Information

Housing Type: Seniors
 Geographic Area: Inland Region
 State Ceiling Pool: New Construction
 Set Aside: Extremely Low/Very Low Income Set Aside
 CDLAC Project Analyst: Daisy Andrade
 CTCAC Project Analyst: Cynthia Compton

55-Year Use / Affordability

| <u>Aggregate Targeting</u> | <u>Number of Units</u> | <u>Percentage of Affordable Units</u> |
|----------------------------|------------------------|---------------------------------------|
| 30% AMI: | 17 | 49% |
| 50% AMI: | 7 | 20% |
| 60% AMI: | 11 | 31% |

Unit Mix

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

| <u>Unit Type & Number</u> | <u>2025 Rents Targeted % of Area Median Income</u> | <u>Proposed Rent (including utilities)</u> |
|-------------------------------|--|--|
| 17 1 Bedroom | 30% | \$495 |
| 7 1 Bedroom | 50% | \$825 |
| 11 1 Bedroom | 60% | \$843 |
| 1 2 Bedrooms | Manager's Unit | \$0 |

Project Cost Summary at Application

| | |
|------------------------------------|---------------------|
| Land and Acquisition | \$160,000 |
| Construction Costs | \$13,917,018 |
| Rehabilitation Costs | \$0 |
| Construction Hard Cost Contingency | \$687,095 |
| Soft Cost Contingency | \$41,888 |
| Relocation | \$0 |
| Architectural/Engineering | \$558,500 |
| Const. Interest, Perm. Financing | \$655,365 |
| Legal Fees | \$200,000 |
| Reserves | \$100,000 |
| Other Costs | \$571,936 |
| Developer Fee | \$2,440,758 |
| Commercial Costs | \$0 |
| Total | \$19,332,560 |

Residential

| | |
|---|-----------|
| Construction Cost Per Square Foot: | \$537 |
| Per Unit Cost: | \$537,016 |
| Estimated Hard Per Unit Cost: | \$346,170 |
| True Cash Per Unit Cost*: | \$535,317 |
| Bond Allocation Per Unit: | \$150,000 |
| Bond Allocation Per Restricted Rental Unit: | \$154,286 |

Construction Financing

| Source | Amount |
|---|-------------|
| Banc of California: Tax-Exempt | \$5,400,000 |
| Banc of California: Taxable | \$2,200,000 |
| City of Bakersfield AHTF ³ 22-23 | \$2,000,000 |
| City of Bakersfield AHTF ³ 25-26 | \$3,500,000 |
| City of Bakersfield REAP ² 2022 | \$167,537 |
| City of Bakersfield: TCC ¹ | \$3,330,275 |
| Tax Credit Equity | \$825,398 |
| Deferred Developer Fee | \$1,909,350 |

Permanent Financing

| Source | Amount |
|--|---------------------|
| Banc of California: Tax-Exempt | \$2,100,000 |
| City of Bakersfield: AHTF ³ 23-24 | \$2,000,000 |
| City of Bakersfield AHTF ³ 25-26 | \$3,500,000 |
| City of Bakersfield - REAP ² 2022 | \$167,537 |
| City of Bakersfield: TCC ¹ | \$3,330,275 |
| Deferred Developer Fee | \$61,136 |
| Tax Credit Equity | \$8,173,612 |
| TOTAL | \$19,332,560 |

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

¹Transformative Climate Communities

²Regional Early Action Planning

³Affordable Housing Trust Fund

Determination of Credit Amount(s)

| | |
|--|--------------|
| Requested Eligible Basis: | \$18,712,484 |
| 130% High Cost Adjustment: | Yes |
| Applicable Fraction: | 100.00% |
| Qualified Basis: | \$24,326,229 |
| Applicable Rate: | 4.00% |
| Total Maximum Annual Federal Credit: | \$973,049 |
| Approved Developer Fee (in Project Cost & Eligible Basis): | \$2,440,758 |
| Federal Tax Credit Factor: | \$0.84000 |

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 | 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: 177.275%