

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

Green Phase, located at 3230 Hiler Street in Eureka on a 7.39 acre site, requested and is being recommended for a reservation of \$3,310,890 in annual federal tax credits and \$20,570,676 of tax-exempt bond cap to finance the new construction & acquisition & rehabilitation of 142 units of housing, consisting of 141 restricted rental units and 1 unrestricted manager's unit. The project will have 40 one-bedroom units, 54 two-bedroom units, 36 three-bedroom units, and 12 four-bedroom units, serving tenants 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 November 2027. The project will be developed by Eureka Housing Development Corporation and will be located in Senate District 2 and Assembly District 2.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Infill Infrastructure Grant (IIG) program of HCD.

**Project Number** CA-25-755

**Project Name** Green Phase  
 Site Address: 3230 Hiler Street  
 Eureka, CA 95503  
 County: Humboldt  
 Census Tract: 0003.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,310,890	\$0
Recommended:	\$3,310,890	\$0

**Tax-Exempt Bond Allocation**  
 Recommended: \$20,570,676

**CTCAC Applicant Information**  
 CTCAC Applicant/CDLAC Sponsor: Hiler I LP  
 Contact: Cheryl Churchill  
 Address: 735 West Everding Street  
 Eureka, CA 95503  
 Phone: 707-443-4583  
 Email: cherylc@eurekahumboldtha.org

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
 Bond Counsel: R4 Capital Funding LLC

**Development Team**

General Partners / Principal Owners:	Hiler I MGP LLC Hiler I AGP LLC
General Partner Type:	Joint Venture
Parent Companies:	Eureka Housing Development Corporation Brinshore Development, L.L.C.
Developer:	Eureka Housing Development Corporation
Investor/Consultant:	R4 Capital
Management Agent:	Housing Authority of the City of Eureka

**Project Information**

Construction Type:	New Construction & Acquisition & Rehabilitation	
Total # Residential Buildings:	38	
Total # of Units:	142	
No. / % of Low Income Units:	141	100.00%
Average Targeted Affordability:	52.62%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (141 Units - 99%)	

**Information**

Housing Type:	At-Risk
Geographic Area:	N/A
CDLAC Project Analyst:	Sarah Lester
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:	28	20%
40% AMI:	10	7%
60% AMI:	103	73%

**Unit Mix**

40	1-Bedroom Units
54	2-Bedroom Units
36	3-Bedroom Units
12	4-Bedroom Units
142	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
18 1 Bedroom	30%	\$528
5 2 Bedrooms	30%	\$634
5 3 Bedrooms	30%	\$732
1 1 Bedroom	40%	\$705
3 2 Bedrooms	40%	\$846
3 3 Bedrooms	40%	\$977
1 1 Bedroom	60%	\$1,057
4 2 Bedrooms	60%	\$1,269
3 3 Bedrooms	60%	\$1,465
17 1 Bedroom	60%	\$1,057
42 2 Bedrooms	60%	\$1,269
24 3 Bedrooms	60%	\$1,465
12 4 Bedrooms	60%	\$1,635
3 1 Bedroom	40%	\$705
1 3 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$18,755,425
Construction Costs	\$15,836,808
Rehabilitation Costs	\$22,604,632
Construction Hard Cost Contingency	\$3,030,364
Soft Cost Contingency	\$327,748
Relocation	\$286,200
Architectural/Engineering	\$1,628,755
Const. Interest, Perm. Financing	\$4,545,488
Legal Fees	\$654,131
Reserves	\$730,519
Other Costs	\$880,046
Developer Fee	\$2,500,000
Commercial Costs	\$0
<b>Total</b>	<b>\$71,780,116</b>

### **Residential**

Construction Cost Per Square Foot:	\$311
Per Unit Cost:	\$505,494
Estimated Hard Per Unit Cost:	\$505,494
True Cash Per Unit Cost*:	\$358,944
Bond Allocation Per Unit:	\$145,891
Bond Allocation Per Restricted Rental Unit:	\$0

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
R4 Capital: Tax-Exempt	\$20,570,676
R4 Capital: Taxable	\$21,929,324
HCD: IIG	\$2,402,000
Seller Carryback	\$18,610,000
Deferred Costs	\$3,848,090
Tax Credit Equity	\$4,160,702

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
R4 Capital: Tax-Exempt	\$20,570,676
R4 Capital: Taxable	\$259,324
HCD: IIG	\$2,402,000
Seller Carryback	\$18,610,000
General Partner Equity	\$100
Deferred Developer Fee	\$2,200,000
Tax Credit Equity	\$27,738,016
<b>TOTAL</b>	<b>\$71,780,116</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$49,958,920
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$18,610,000
Applicable Fraction:	100.00%
Qualified Basis:	\$64,946,596
Qualified Basis (Acquisition):	\$18,610,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$2,566,490
Maximum Annual Federal Credit, Acquisition:	\$744,400
Total Maximum Annual Federal Credit:	\$3,310,890
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,500,000
Federal Tax Credit Factor:	\$0.83778

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 142-unit application was submitted as a hybrid application serving large families. The project is comprised of a 9% component consisting of 44 units and this 4% component (CA-25-755) consisting of 142 units. All units in the project will have access to a service coordinator and other services specialist.

This project will include the new construction of a two-story building consisting of 44 total units and the rehabilitation of 98 existing, at-risk units across multiple buildings.

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-25-755 must be completed as part of the placed in service package.

**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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
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
<b>Total Points</b>	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:** 317.322%