

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

Tierra Apartments, located at 1211-1217 Fourteenth Street and 1402 Wilshire Boulevard in Santa Monica on a 0.58 acre site, requested and is being recommended for a reservation of \$2,981,047 in annual federal tax credits, \$5,676,255 in total state tax credits, and \$19,045,000 of tax-exempt bond cap to finance the new construction of 82 units of housing, consisting of 80 restricted rental units and 2 unrestricted manager's units. The project will have 80 one-bedroom units, and 2 two-bedroom units, serving special needs 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 May 2028. The project will be developed by Hollywood Community Housing Corporation and will be located in Senate District 24 and Assembly District 51.

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 Multifamily Housing Program (MHP) and Transit-Oriented Development (TOD) programs of HCD.

Project Number CA-25-765

Project Name Tierra Apartments
Site Address: 1211-1217 Fourteenth Street and 1402 Wilshire Boulevard
Santa Monica, CA 90404 and 90403
County: Los Angeles
Census Tract: 7015.02

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$2,981,047	\$5,676,255
Recommended:	\$2,981,047	\$5,676,255

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Tax-Exempt Bond Allocation
Recommended: \$19,045,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Hollywood Community Housing Corporation
Contact: Victoria Senna, Director of Housing Development
Address: 5020 Santa Monica Boulevard
Los Angeles, CA 90029
Phone: 323-454-6211
Email: Vsenna@HollywoodHousing.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Citibank, N.A.

Development Team

General Partner / Principal Owner: HCHC Tierra Apartments GP, LLC
 General Partner Type: Nonprofit
 Parent Company: Hollywood Community Housing Corporation
 Developer: Hollywood Community Housing Corporation
 Investor/Consultant: California Housing Partnership
 Management Agent: Barker Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 82
 No. / % of Low Income Units: 80 100.00%
 Average Targeted Affordability: 44.00%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / Section 8 Project-based Vouchers (40 Units - 49%)

Information

Housing Type: Special Needs
 Seniors
 % of Special Need Units: 40 units 50%
 Geographic Area: Balance of Los Angeles County
 State Ceiling Pool: New Construction
 Set Aside: Homeless Set Aside
 Homeless Set Aside Units: 40
 CDLAC Project Analyst: Sarah Lester
 CTCAC Project Analyst: Michael Couzens

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	40	50%
50% AMI:	8	10%
60% AMI:	32	40%

Unit Mix

80	1-Bedroom Units
2	2-Bedroom Units
82	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
40 1 Bedroom	30%	\$852
8 1 Bedroom	50%	\$1,420
32 1 Bedroom	60%	\$1,704
2 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$14,568,465
Construction Costs	\$38,393,035
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,937,896
Soft Cost Contingency	\$675,000
Relocation	\$250,000
Architectural/Engineering	\$2,374,100
Const. Interest, Perm. Financing	\$7,565,624
Legal Fees	\$180,000
Reserves	\$657,696
Other Costs	\$3,359,263
Developer Fee	\$7,477,542
Commercial Costs	\$0
Total	\$77,438,621

Residential

Construction Cost Per Square Foot:	\$474
Per Unit Cost:	\$944,373
Estimated Hard Per Unit Cost:	\$413,844
True Cash Per Unit Cost*:	\$772,466
Bond Allocation Per Unit:	\$232,256
Bond Allocation Per Restricted Rental Unit:	\$238,063

Construction Financing

Source	Amount
Citibank: Tax Exempt	\$19,045,000
Citibank: Taxable	\$37,394,802
COSM ¹ : Land Donation	\$8,100,000
Waived Impact Fees	\$1,318,848
Deferred Costs	\$2,331,346
Deferred Developer Fee	\$4,677,542
Tax Credit Equity	\$4,571,083

Permanent Financing

Source	Amount
Citibank: Tax-Exempt	\$5,674,000
HCD: MHP/TOD	\$25,620,000
COSM ¹ : Land Donation	\$8,100,000
Waived Impact Fees	\$1,318,848
Deferred Developer Fee	\$4,677,542
Tax Credit Equity	\$32,048,231
TOTAL	\$77,438,621

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

¹City of Santa Monica

Determination of Credit Amount(s)

Requested Eligible Basis:	\$57,327,825
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$74,526,173
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,981,047
Total State Credit:	\$5,676,255
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,477,542
Federal Tax Credit Factor:	\$0.91133
State Tax Credit Factor:	\$0.85991

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

The project will restrict 40 Low-Income Units (50% of the Low-Income Units) to serve Special Needs Population(s), as defined in CTCAC Regulations Section 10302(Kok).

The proposed Tierra Apartments development spans multiple adjacent parcels located at 1211–1217 Fourteenth Street, Santa Monica, CA 90404, and 1402 Wilshire Boulevard, Santa Monica, CA 90403. Although the sites are contiguous, they fall within different ZIP codes.

The current legal description is part of a larger site and the project site's parcel (legal description and APN) has not yet been finalized. The legal description and APN for CA-25-765 must be completed as part of the Readiness to Proceed 180/194-Day 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(l).

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: 139.075%