

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

The Perlman, located at 100 North Broadway in Santa Maria on a 1.12 acre site, requested and is being recommended for a reservation of \$3,222,718 in annual federal tax credits and \$18,349,851 of tax-exempt bond cap to finance the new construction of 150 units of housing, consisting of 149 restricted rental units and 1 unrestricted manager's unit. The project will have 15 studio units, 53 one-bedroom units, 38 two-bedroom units, and 44 three-bedroom units, serving families 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 Danco Communities and will be located in Senate District 21 and Assembly District 37.

Project Number CA-25-772

Project Name The Perlman
Site Address: 100 North Broadway
Santa Maria, CA 93454
County: Santa Barbara
Census Tract: 0022.06

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$3,222,718	\$0
Recommended:	\$3,222,718	\$0

Tax-Exempt Bond Allocation
Recommended: \$18,349,851

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Santa Maria North Broadway LP
Contact: David Rutledge
Address: 1918 West Street
Redding, CA 96001
Phone: (530) 241-6960
Email: david@crdc-housing.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: CMFA
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser: Citibank, N.A.

Development Team
General Partners / Principal Owners: Community Revitalization and Development Corporation
Santa Maria North Broadway LLC
General Partner Type: Joint Venture
Parent Companies: Community Revitalization and Development Corporation
Johnson & Johnson Investments, LLC
Developer: Danco Communities
Investor/Consultant: Boston Financial
Management Agent: Danco Property Management

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	150	
No. / % of Low Income Units:	149	100.00%
Average Targeted Affordability:	55.44%	
Federal Set-Aside Elected:	40%/60%	
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:	Marilynn Thao

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	17	11%
50% AMI:	17	11%
60% AMI:	115	77%

Unit Mix

15	SRO/Studio Units
53	1-Bedroom Units
38	2-Bedroom Units
44	3-Bedroom Units
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150	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 SRO/Studio	30%	\$927
2 SRO/Studio	50%	\$1,545
11 SRO/Studio	60%	\$1,600
6 1 Bedroom	30%	\$993
6 1 Bedroom	50%	\$1,655
41 1 Bedroom	60%	\$1,725
4 2 Bedrooms	30%	\$1,191
4 2 Bedrooms	50%	\$1,944
30 2 Bedrooms	60%	\$1,944
5 3 Bedrooms	30%	\$1,377
5 3 Bedrooms	50%	\$2,295
33 3 Bedrooms	60%	\$2,754
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,300,000
Construction Costs	\$43,252,322
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,162,616
Soft Cost Contingency	\$260,126
Relocation	\$0
Architectural/Engineering	\$1,300,000
Const. Interest, Perm. Financing	\$4,831,376
Legal Fees	\$115,000
Reserves	\$763,586
Other Costs	\$2,739,527
Developer Fee	\$8,083,740
Commercial Costs	\$0
Total	\$64,808,293

Residential

Construction Cost Per Square Foot:	\$388
Per Unit Cost:	\$432,055
Estimated Hard Per Unit Cost:	\$244,541
True Cash Per Unit Cost*:	\$389,009
Bond Allocation Per Unit:	\$122,332
Bond Allocation Per Restricted Rental Unit:	\$123,153

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citi Bank: Tax-Exempt	\$18,349,851	Citi Bank: Tax-Exempt	\$30,474,875
Citi Bank: Recycled Tax-Exempt	\$6,000,000	Deferred Developer Fee	\$6,456,907
Citi Bank: Taxable	\$28,859,761	Tax Credit Equity	\$27,876,511
Tax Credit Equity	\$11,598,681	TOTAL	\$64,808,293

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$61,975,346
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$80,567,950
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,222,718
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,083,740
Federal Tax Credit Factor:	\$0.86500

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: 244.930%