

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

Citywide Apartments, located at 8 sites (see below) in Los Angeles County on a total of 2.49 acres, requested and is being recommended for a reservation of \$3,125,665 in annual federal tax credits and \$20,300,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 125 units of housing, consisting of 123 restricted rental units and 2 unrestricted manager's units. The project has 33 studio units, 66 one-bedroom units, 24 two-bedroom units, and 2 three-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 December 2027. The project will be developed by Related Affordable and is located in Senate District 28 and Assembly District 57.

Citywide Apartments is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, HDR I & II Portfolio (CA-2007-841). See Resyndication and Resyndication Transfer Event below for additional information. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number	CA-25-787	
Project Name	Citywide Apartments	
Site Addresses:	Site 1	Site 2
	2375 Scarff Street	1063 West 39th Place
	Los Angeles, CA 90007	Los Angeles, CA 90037
	County: Los Angeles	County: Los Angeles
	Census Tract: 2244.10	Census Tract: 2218.20
	Site 3	Site 4
	1733 West 58th Street	2747 - 2755 Newell Street
	Los Angeles, CA 90062	Los Angeles, CA 90039
	County: Los Angeles	County: Los Angeles
	Census Tract: 2312.20	Census Tract: 2316.03
	Site 5	Site 6
	811 North Heliotrope Drive	111 South Avenue 63
	Los Angeles, CA 90029	Los Angeles, CA 90042
	County: Los Angeles	County: Los Angeles
	Census Tract: 2325.00	Census Tract: 1831.01
	Site 7	Site 8
	1040 West 43rd Street	2714 Orchard Avenue
	Los Angeles, CA 90037	Los Angeles, CA 90007
	County: Los Angeles	County: Los Angeles
	Census Tract: 1872.00	Census Tract: 1915.00

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$3,125,665	\$0
Recommended:	\$3,125,665	\$0

Tax-Exempt Bond Allocation	
Recommended:	\$20,300,000

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor: Citywide Apartments Preservation, L.P.
 Contact: Wes Larmore
 Address: 30 Hudson Yards
 New York, NY 10001
 Phone: 310-359-0050
 Email: wlarmore@related.com

Bond Financing Information

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
 Bond Counsel: Jones Hall, A Professional Law Corporation
 Public Sale: Credit Enhanced
 Underwriter: Jefferies LLC
 Credit Enhancement Provider: Capital One, National Association

Development Team

General Partner / Principal Owner: Rainbow Housing Assistance Corporation
 General Partner Type: Nonprofit
 Parent Company: Rainbow Housing Assistance Corporation
 Developer: Related Affordable
 Investor/Consultant: Hudson Housing
 Management Agent: Related Management Company

Project Information

Construction Type: Acquisition & Rehabilitation
 Total # Residential Buildings: 41
 Total # of Units: 125
 No. / % of Low Income Units: 123 100.00%
 Average Targeted Affordability: 44.63%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Contract (123 Units - 98%)

Information

Housing Type: Non-Targeted
 Geographic Area: City of Los Angeles
 CDLAC Project Analyst: Anthony Wey
 CTCAC Project Analyst: Jacob Paixao

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	63	51%
60% AMI:	60	49%

Unit Mix

33	SRO/Studio Units
66	1-Bedroom Units
24	2-Bedroom Units
2	3-Bedroom Units
125	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
11 SRO/Studio	30%	\$795
22 SRO/Studio	60%	\$1,590
39 1 Bedroom	30%	\$852
25 1 Bedroom	60%	\$1,704
12 2 Bedrooms	30%	\$1,022
12 2 Bedrooms	60%	\$2,044
1 3 Bedrooms	30%	\$1,181
1 3 Bedrooms	60%	\$2,363
1 1 Bedroom	Manager's Unit	\$0
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$43,000,000
Construction Costs	\$0
Rehabilitation Costs	\$15,904,500
Construction Hard Cost Contingency	\$1,830,840
Soft Cost Contingency	\$307,243
Relocation	\$949,000
Architectural/Engineering	\$547,500
Const. Interest, Perm. Financing	\$5,212,080
Legal Fees	\$355,000
Reserves	\$947,500
Other Costs	\$1,087,779
Developer Fee	\$5,780,244
Commercial Costs	\$0
Total	\$75,921,686

Residential

Construction Cost Per Square Foot:	\$236
Per Unit Cost:	\$607,373
Estimated Hard Per Unit Cost:	\$113,096
True Cash Per Unit Cost*:	\$574,826
Bond Allocation Per Unit:	\$162,400
Bond Allocation Per Restricted Rental Unit:	\$165,041

Construction Financing

Source	Amount
Capital One: Tax-Exempt	\$20,300,000
Capital One: Recycled T.E. ¹	\$19,700,000
Deferred Developer Fee	\$5,171,171
Net Operating Income	\$3,100,000
Operating Reserve	\$910,000
Tax Credit Equity	\$26,740,515

Permanent Financing

Source	Amount
Capital One: Tax-Exempt	\$20,300,000
Capital One: Recycled T.E. ¹	\$19,700,000
Net Operating Income	\$3,100,000
Deferred Developer Fee	\$4,068,444
Tax Credit Equity	\$28,753,242
TOTAL	\$75,921,686

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

¹Recycled Tax-Exempt

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$21,419,970
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$43,155,668
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$34,985,951
Qualified Basis (Acquisition):	\$43,155,668
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,399,438
Maximum Annual Federal Credit, Acquisition:	\$1,726,227
Total Maximum Annual Federal Credit:	\$3,125,665
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,780,244
Federal Tax Credit Factor:	\$0.91991

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 proposed rent does not include a utility allowance. The owner will pay for all utilities.

CDLAC Analyst Comments: None.

Resyndication and Resyndication Transfer Event

Prior to closing, the applicant or its assignee shall obtain CTCAC's consent to assign and assume the existing Regulatory Agreement (CA-2007-841). To be eligible for a new award of tax credits, the owner must provide documentation with the Form 8609 request (the placed in service submission) that the acquisition date and the placed in service date both occurred after the existing federal 15 year compliance period was completed. For resyndications that were originally rehabilitation and acquisition, the resyndication acquisition date cannot occur before the last rehabilitation credit year of the original credit period.

As required by the IRS, the newly resyndicated project will continue to use the originally assigned Building Identification Numbers (BINs).

The newly resyndicated project shall continue to meet the rents and income targeting levels in the existing regulatory agreement(s) and any deeper targeting levels in the new regulatory agreement(s) for the duration of the new regulatory agreement(s). Existing households determined to be income-qualified for purposes of IRC §42 credit during the 15-year compliance period are concurrently income-qualified households for purposes of the extended use agreement. As a result, any household determined to be income qualified at the time of move-in under the existing regulatory agreement (CA-2007-841) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication where the existing regulatory agreement requires service amenities. The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on CTCAC staff's review of the commitment in the application. The services documented in the placed in service package will be reviewed by CTCAC staff for compliance with this requirement at the time of the placed in service submission.

The project is a resyndication occurring concurrently with a Transfer Event with distribution of Net Project Equity, which is otherwise required to set aside a Short Term Work Capitalized Reserve in the amount of \$769,500. In lieu of a Short Term Work Capitalized Reserve, there has been a reduction in purchase price from the appraisal, allowing the applicant to use Short Term Work Reserve Amount to fund rehabilitation expenses and to receive eligible basis for that amount.

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	20
New Construction Density and Local Incentives	10	0	0
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	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	120	110	110

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: 221.905%