

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

Park Haven Plaza, located at 2838 Park Avenue in Soquel on a 1.01 acre site, requested and is being recommended for a reservation of \$1,634,449 in annual federal tax credits and \$9,350,000 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 32 one-bedroom units, and 4 two-bedroom units, serving tenants with rents affordable to households earning 30% of area median income (AMI). The construction began in June 2022 and will be completed in October 2026. The project will be developed by Novin Development Corporation and will be located in Senate District 17 and Assembly District 30.

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 Homekey Program of HCD.

Project Number CA-25-820

Project Name Park Haven Plaza
Site Address: 2838 Park Avenue
Soquel, CA 95073
County: Santa Cruz
Census Tract: 1220.05

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,634,449	\$0
Recommended:	\$1,634,449	\$0

Tax-Exempt Bond Allocation
Recommended: \$9,350,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: 2838 Park Ave LP
Contact: Ryan Querubin
Address: 1990 North California Boulevard, Suite 1060
Walnut Creek, CA 94596
Phone: (925)787-6056
Email: rquerubin@novindevelopment.com

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

Development Team
General Partners / Principal Owners: NDC Park Ave, LLC
Central Valley Coalition for Affordable Housing
General Partner Type: Joint Venture
Parent Companies: Novin Development Corporation
Central Valley Coalition for Affordable Housing
Developer: Novin Development Corporation
Investor/Consultant: Enterprise Community Partners-Housing Credit Investments
Management Agent: FPI Management

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:	30.00%
Federal Set-Aside Elected:	20%/50%
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (35 Units - 97%)

Information

Housing Type:	Non-Targeted
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	35
CDLAC Project Analyst:	Jake Salle
CTCAC Project Analyst:	Sopida Steinwert

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
<hr/> 30% AMI:	<hr/> 35	<hr/> 100%

Unit Mix

32	1-Bedroom Units
4	2-Bedroom Units
<hr/> 36	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
32 1 Bedroom	30%	\$1,112
3 2 Bedrooms	30%	\$1,335
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$277,797
Construction Costs	\$23,161,630
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$675,161
Soft Cost Contingency	\$692,207
Relocation	\$0
Architectural/Engineering	\$1,109,412
Const. Interest, Perm. Financing	\$2,997,047
Legal Fees	\$300,721
Reserves	\$824,564
Other Costs	\$1,492,730
Developer Fee	\$4,413,597
Commercial Costs	<hr/> \$0
Total	<hr/>\$35,944,866

Residential

Construction Cost Per Square Foot:	\$1,305
Per Unit Cost:	\$998,469
Estimated Hard Per Unit Cost:	\$548,662
True Cash Per Unit Cost*:	\$960,148
Bond Allocation Per Unit:	\$259,722
Bond Allocation Per Restricted Rental Unit:	\$267,143

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$9,350,000	Citibank: Taxable	\$8,315,000
Citibank: Taxable	\$10,800,000	HCD: Homekey	\$10,660,000
HCD: Homekey	\$10,660,000	County of Santa Cruz	\$2,201,000
County of Santa Cruz	\$2,201,000	Accrued Interest	\$79,657
Accrued Interest	\$79,657	Deferred Developer Fee	\$1,379,527
Deferred Developer Fee	\$1,379,527	General Partner Equity	\$234,070
General Partner Equity	\$234,070	Tax Credit Equity	\$13,075,612
Tax Credit Equity	\$1,240,612	TOTAL	\$35,944,866

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$31,431,759
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$40,861,287
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,634,449
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,413,597
Federal Tax Credit Factor:	\$0.80000

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

Projects with funding and/or subsidy(ies) from HUD are required to use Utility Allowances (UAs) approved by HUD. The applicant’s use of the CUAC for Park Haven Plaza (CA-25-820) is subject to approval by HUD.

The reservation of tax credits is contingent upon verification of the rental subsidy annual amount, number of units receiving assistance, term, and expiration date by the bond issuance deadline.

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	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	11
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: 250.987%