

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

Little Village RAD, located at 714 Smith Street in Kern County on a total of 15.9 acres, requested and is being recommended for a reservation of \$2,860,700 in annual federal tax credits and \$17,500,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 154 units of housing, consisting of 148 restricted rental units, 5 market-rate units, and 1 unrestricted manager's unit. The project has 10 one-bedroom units, 28 two-bedroom units, 98 three-bedroom units, and 18 four-bedroom units, serving tenants with rents affordable to households earning 30%-80% 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 Housing Authority of the County of Kern and is located in Senate District 16 and Assembly District 32.

The project will be receiving rental assistance in the form of HUD Section 8 Rental Assistance Demonstration (RAD) Project-based Vouchers.

Project Number CA-25-827

Project Name Little Village RAD
Site Addresses: 714 Smith Street
Bakersfield, CA 93307

County: Kern
Census Tract: 60290025.01

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,860,700	\$0
Recommended:	\$2,860,700	\$0

Tax-Exempt Bond Allocation
Recommended: \$17,500,000

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Housing Authority of the County of Kern
Contact: Stephen M. Pelz
Address: 601 24th Street
Bakersfield, CA 93301

Phone: 661-631-8500
Email: spelz@kernha.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: Housing Authority of the County of Kern
Bond Counsel: Jones Hall, A Professional Law Corporation
Private Placement Purchaser: Banc of California

Development Team

General Partners / Principal Owners:	Golden Empire Affordable Housing, Inc. Housing Authority of the County of Kern
General Partner Type:	Nonprofit
Parent Companies:	Golden Empire Affordable Housing, Inc. Housing Authority of the County of Kern
Developer:	Housing Authority of the County of Kern
Investor/Consultant:	PNC Bank
Management Agent:	Housing Authority of the County of Kern

Project Information

Construction Type:	Acquisition & Rehabilitation
Total # Residential Buildings:	85
Total # of Units:	154
No. / % of Low Income Units:	148 96.73%
Average Targeted Affordability:	49.93%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt / HUD Rental Assistance Demonstration Project-based Vouchers (153 Units - 100%)

Information

Housing Type:	Non-Targeted
Geographic Area:	Kern
State Ceiling Pool:	Preservation
CDLAC Project Analyst:	Stefanie McDaniels
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:	47	32%
50% AMI:	24	16%
60% AMI:	69	47%
80% AMI*:	8	5%

*CTCAC restricted only

Unit Mix

10	1-Bedroom Units
28	2-Bedroom Units
98	3-Bedroom Units
18	4-Bedroom Units
154	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$464
2 1 Bedroom	50%	\$773
4 1 Bedroom	60%	\$773
1 1 Bedroom	50%	\$773
1 1 Bedroom	60%	\$773
6 2 Bedrooms	30%	\$557
2 2 Bedrooms	50%	\$928
10 2 Bedrooms	60%	\$928
4 2 Bedrooms	30%	\$557
1 2 Bedrooms	50%	\$928
5 2 Bedrooms	60%	\$928
5 3 Bedrooms	30%	\$643
7 3 Bedrooms	30%	\$643
14 3 Bedrooms	50%	\$1,072
28 3 Bedrooms	60%	\$1,072
4 3 Bedrooms	60%	\$1,072
16 3 Bedrooms	30%	\$643
3 3 Bedrooms	50%	\$1,072
10 3 Bedrooms	60%	\$1,072
6 3 Bedrooms	80%	\$1,072
2 4 Bedrooms	30%	\$717
1 4 Bedrooms	50%	\$1,252
6 4 Bedrooms	60%	\$1,252
4 4 Bedrooms	30%	\$717
1 4 Bedrooms	60%	\$1,252
2 4 Bedrooms	80%	\$1,252
1 4 Bedrooms	30%	\$717
1 3 Bedrooms	Manager's Unit	\$0
4 3 Bedrooms	Market Rate Unit	\$1,590
1 4 Bedrooms	Market Rate Unit	\$1,698

Project Cost Summary at Application

Land and Acquisition	\$21,600,000
Construction Costs	\$0
Rehabilitation Costs	\$28,600,000
Construction Hard Cost Contingency	\$2,860,000
Soft Cost Contingency	\$150,000
Relocation	\$387,500
Architectural/Engineering	\$1,000,000
Const. Interest, Perm. Financing	\$2,825,875
Legal Fees	\$205,000
Reserves	\$1,100,000
Other Costs	\$640,157
Developer Fee	\$6,305,375
Commercial Costs	\$0
Total	\$65,673,907

Residential

Construction Cost Per Square Foot:	\$183
Per Unit Cost:	\$426,454
Estimated Hard Per Unit Cost:	\$164,610
True Cash Per Unit Cost*:	\$426,454
Bond Allocation Per Unit:	\$113,636
Bond Allocation Per Restricted Rental Unit:	\$125,000

Construction Financing		Permanent Financing	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Banc of California: Tax Exempt	\$17,500,000	Banc of California: Tax-Exempt	\$16,700,000
Banc of California: Taxable	\$16,000,000	Seller Carryback	\$21,600,000
Seller Carryback	\$21,600,000	Deferred Developer Fee	\$3,344,027
Deferred Cost	\$5,767,931	Tax Credit Equity	\$24,029,880
Tax Credit Equity	\$4,805,976	TOTAL	\$65,673,907

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

¹ Housing Authority of the County of Kern

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$40,482,875
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$21,525,000
Applicable Fraction:	96.73%
Qualified Basis (Rehabilitation):	\$50,907,877
Qualified Basis (Acquisition):	\$20,821,569
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$2,027,837
Maximum Annual Federal Credit, Acquisition:	\$832,863
Total Maximum Annual Federal Credit:	\$2,860,700
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,305,375
Federal Tax Credit Factor:	\$0.84000

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 project has requested and been granted a waiver for the 5-site limitation requirement under CTCAC regulation section 10302(hhh)(2) for scattered site projects. CA-25-827 will consist of two developments with a total of 20 scattered parcels all located within 0.4 miles of one another.

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	20
New Construction Density and Local Incentives	10	0	0
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	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: 361.914%