

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
2009 Cash in Lieu of Credits - TCAP Funds
July 8, 2009

Project Number CA-2009-515

Project Name The Courtyards in Long Beach
Site Address: 1027 & 1045 Redondo Avenue, 1134 Stanley Avenue, & 350 E. Esther Street
Long Beach, CA 90804 / 90813 County: Los Angeles
Census Tracts: 5769.02, 5769.01, & 5753

Applicant Information

Applicant: Clifford Beers Housing, Inc.
Sponsor: James Bonar
Address: 1200 Wilshire Boulevard, Suite 205
Los Angeles, CA 90017
Phone: (213) 316-0108 **Fax:** (213) 316-0111

General Partner Type: Nonprofit
The general partner or principal owner is Clifford Beers Housing, Inc.

Information

Housing Type: SRO
Type of SpN: Homeless/Mentally Ill
23 of Special Need Units: 52%
Proposed Average Affordability: 39.55%

Project Information

Construction Type: Rehabilitation
Total # of Units: 46
Total # Residential Buildings: 4

Davis-Bacon or NEPA Required: No
State Prevailing Wages Required: Yes
2008 TCAC Project Number: CA-2008-104
Original 2008 Federal Tax Credits Allocated: \$564,792
2008 Federal Tax Credits Retained: \$100
2008 Federal Tax Credits Exchanged/Returned: \$564,692
Applicable Fraction: X .85
Cash Award Recommended: \$4,799,882

Approved 2008 TCAC Proposed Rent and Income Levels

23 SRO / Studio	30%	\$398
21 SRO / Studio	50%	\$663
2 SRO / Studio	Managers' Units	\$0

Project Financing

Estimated Total Project Cost: \$13,165,325 Per Unit Cost: \$286,203

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
CalHFA	\$9,509,841	City of Long Beach	\$2,271,000
Income from Operations	\$92,000	MHSA	\$2,194,403
Costs Deferred Until Completion	\$566,273	Deferred Developer Fee	\$377,058
Deferred Developer Fee	\$492,950	AHP	\$531,519
TCAC ARRA Funds	\$949,500	Income from Operations	\$87,000
		Investor Equity	\$850
		TCAC ARRA Funds	\$4,799,882
		HCD Bridge Loan	\$2,903,613
		TOTAL	\$13,165,325

Income and Expense Statement for Year 1

Gross Residential Rents:	\$296,990
Miscellaneous Income:	\$1,104
Less Vacancy Rate: 10%	\$(25,263)
Total Effective Gross Income:	\$272,831
Less Total Expenses/Reserves:	\$244,784
Net Operation Income:	\$28,047
Debt Service:	\$21,411
Debt Service Ratio:	1.30 to 1

Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations.

Standard Conditions

The Committee may make a Conditional Reservation of American Recovery and Reinvestment Act of 2009 (ARRA), Tax Credit Assistance Program (TCAP) funds for the project sponsor. This Conditional Reservation would not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the California Tax Credit Allocation Committee of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part §58. The provision of any funds to the project is conditioned on TCAC's determination to proceed

with, modify or cancel the project based on the results of a subsequent environmental review and further underwriting.

The project sponsor is prohibited from undertaking or committing any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. A violation of this provision may result in the denial of any funds.

In addition, each project ultimately awarded ARRA TCAP funds will have to comply with all federal requirements, such as Section 504, Davis-Bacon federal labor standards laws, anti-lobbying requirements, lead-based paint rules, and other federal laws.

All ARRA funded projects will be required to track and report on all jobs created or retained as a result of the funds.