

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2009 Cash in Lieu of Credits – Section 1602 Funds

August 26, 2009

REVISED

Project Number CA-2009-551

Project Name Golden Village Apartments

Address: 1650 First Street
Lincoln, CA 95648

County: Placer

Applicant Information

Applicant: Lincoln Golden Village, LP

Contact: Michael Condry

Address: 1370 Jensen, Suite B
Sanger, CA 93657

Phone: (559) 875-3330

Fax: (559) 875-3365

General Partner Type: Joint Venture

The general partner(s) or principal owner(s) are Lincoln Golden Village, LLC and Central Valley Coalition for Affordable Housing.

Project Information

Construction Type: Acquisition and Rehabilitation

Federal Subsidy: Tax-Exempt / USDA

HCD MHP Funding: No

Total # of Units: 49

Total # Residential Buildings: 13

Information

Housing Type: At-Risk

Proposed Average Affordability: 40.00

Davis-Bacon Required: No

NEPA Required: No

State Prevailing Wages Required: No

2008 TCAC Project Number: CA-2008-815

Federal/Annual

2008 Federal Tax Credits Reserved: \$247,796

2008 Federal Reserved Tax Credits Exchanged/Returned: \$247,796

Original Net Equity Factor: (Max .85 for 2008 & .80 for 2009) .89982 Fed

Calculated Amount of Cash Requested: (\$247,796 X 10 X .84598) = \$2,096,318

Total Cash Award Recommended: **\$2,096,318**

ARRA Scoring Criteria	Max. Possible Points	Points Awarded
<i>DDA Bonus Points</i>	25	0
<i>Housing Type Points (Maximum of 50 points)</i>		
<input checked="" type="checkbox"/> At-Risk Project	30	30
<i>Total Project Cost/Cash Request Points (Maximum of 100 points)</i>		
<input checked="" type="checkbox"/> Other Project		
Total Project Cost: \$7,645,237		
Cash Award Request: \$2,096,318		
Total Points Awarded: $100 - (\$2,096,318 / \$7,645,237 \times 100) = 72.5800$	100	72.5800
<i>Total Average Affordability Points (Maximum of 100 points)</i>		
Projects Original Proposed Average Affordability: 40%		
60% - Average Affordability X 5 Points = $(60\% - 40\%) \times 5 = 100.00$	100	100.00
Total Points	275	202.5800

Approved 2008 TCAC Proposed Rent and Income Levels

<u>Unit Type & Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
5 Two-Bedroom	50%	\$798
43 Two-Bedroom	60%	\$958
1 Two-Bedroom	Manager's Unit	\$958

Project Financing

Estimated Total Project Cost: \$7,452,787 Per Unit Cost: \$152,098

Washington Mutual – T.E. Bonds	\$4,396,876	Chase/Washington Mutual	\$3,120,000
USDA	\$1,200,000	USDA Rural Development	\$1,176,173
Deferred Costs	\$157,002	Deferred Developer Fee	\$424,703
Replacement Reserves	\$250,000	City of Lincoln	\$400,000
Deferred Developer Fee	\$802,832	Replacement Reserve	\$235,593
TCAC ARRA Funds	\$832,527	TCAC ARRA Funds	\$2,096,318
		TOTAL	\$7,452,787

Income and Expense Statement for Year 1

Gross Residential Rents:	\$505,104
Miscellaneous Income:	\$24,321
Vacancy Rate: 5%	(\$26,471)
Total Effective Gross Income:	\$502,954
Less Total Expenses/Reserves:	\$242,902

Net Operation Income:	\$260,052
Debt Service:	\$235,954
Net Cash Flow	\$24,098
Debt Service Ratio:	1.10 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), Section 1602 funds for the project. This Conditional Reservation would not constitute a commitment. The provision of any funds is conditioned on TCAC's determination to proceed with, modify or cancel the project based on further underwriting and review.

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

Numbers contained in the proposed financing are subject to update and will be refined within 30 days of loan execution agreement.