

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Project Staff Report**  
**2009 Cash in Lieu of Credits - Section 1602 Funds**  
**August 5, 2009**  
**REVISED – 11-24-09**

**Project Number** CA-2009-534

**Project Name** Cordova Apartments  
**Site Address:** 2320 Stillman Street  
 Selma, CA 93662

County: Fresno

**Applicant Information**

**Applicant:** AMCAL Multi-Housing, Inc.  
**Sponsor:** David Yarden  
**Address:** 30141 Agoura Road, Suite 100  
 Agoura Hills, CA 91301  
**Phone:** (818) 706-0694 **Fax:** (818) 865-1813  
**Email:** david@amcalhousing.com  
**General Partners(s) Type:** Joint Venture

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The general partner(s) or principal owner(s) are Better Opportunities Builders, Inc. and AMCAL Multi-Housing, Inc.

**Information**

**Housing Type:** Large Family  
**Proposed Average Affordability:** 50.30%

**Project Information**

**Construction Type:** New Construction  
**Federal Subsidy:** HOME  
**Total # of Units:** 81  
**Total # Residential Buildings:** 12

**Davis-Bacon Required:** No

**NEPA Required:** Yes

**State Prevailing Wages Required:** Yes

Applicant Requested 15% Augmentation of the Original Development Budget to Help Assist in Complying with Prevailing Wage and Other Federal Requirements.

**Augmentation Calculation**

15% Prevailing Wage Adjustment: **\$1,094,508**      Site Work + Structures x 15% = Total Prevailing Wage Adjustment  
 (\$1,505,122 + \$9,374,655) X 15% = \$1,094,508

**2008 TCAC Project Number:** CA-2008-148

**Original 2008 Federal & State Tax Credits Allocated:** \$733,755      \$2,751,390

**2008 Federal & State Tax Credits Exchanged/Returned:** \$733,755      \$2,751,390

**Current Net Equity Factor:** .85 Fed      .60 State

<b>Amount of Net Equity Factor Requested:</b>	(\$733,755 X 10 X .85)	(\$2,751,390 X .60)
<b>Federal &amp; State Totals</b>	\$6,236,918	\$1,650,834
<b>Amount of Financing Requested:</b>	\$7,887,752	(\$6,236,918 + \$1,650,834)
<b>Amount of Prevailing Wage Augmentation Requested:</b>	\$1,094,508	
<b>Revised ARRA Cash Request:</b>	\$8,982,260	(\$7,887,752 + \$1,094,508)
<b>Total Cash Award Recommended:</b>	<b>\$8,982,260</b>	

### Approved 2008 TCAC Proposed Rent and Income Levels

<u>Unit Type &amp; Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
2 Two-Bedroom Units	30%	\$363
8 Two-Bedroom Units	40%	\$484
14 Two-Bedroom Units	50%	\$605
3 Three-Bedroom Units	30%	\$419
26 Three-Bedroom Units	50%	\$699
11 Three-Bedroom Units	60%	\$839
3 Four-Bedroom Units	30%	\$468
13 Four-Bedroom Units	60%	\$936
1 Three-Bedroom Units	Manager's Unit	\$778

### Project Financing

Estimated Total Project Cost: \$15,503,323 Per Unit Cost: \$191,399

#### Permanent Financing

<u>Source</u>	<u>Amount</u>
Citicorp	\$2,502,189
County of Fresno - HOME	\$1,832,500
City of Selma RDA	\$1,000,000
General Partner Equity	\$393,561
Deferred Developer Fee	\$792,813
TCAC ARRA Funds	\$8,982,260
<b>TOTAL</b>	<b>\$15,503,323</b>

### Income and Expense Statement for Year 1

<b>Gross Residential Rents:</b>	\$570,744
<b>Miscellaneous Income:</b>	\$8,748
<b>Less Vacancy Rate: 5%</b>	(\$28,975)
<b>Total Effective Gross Income:</b>	\$550,517
<b>Less Total Expenses/Reserves:</b>	\$317,700
<b>Net Operation Income:</b>	\$232,817

**Debt Service:** \$202,450

**Debt Service Ratio:** 1.15 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.