

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2026 First Round

June 22, 2026

Charter Oaks Apartments, located at 19525 East Covina Boulevard in Covina, requested and is being recommended for a reservation of \$1,322,465 in annual federal tax credits and \$4,331,566 in total state tax credits to finance the acquisition and rehabilitation of 43 units of housing serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The project will be developed by Lincoln Avenue Capital LLC (dba Lincoln Avenue Communities) and is located in Senate District 22 and Assembly District 48.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number CA-26-038

Project Name Charter Oaks Apartments
Site Address: 19525 East Covina Boulevard
Covina, CA 91724
County: Los Angeles
Census Tract: 4038.01

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,322,465	\$4,331,566
Recommended:	\$1,322,465	\$4,331,566

Applicant Information

Applicant: Pacific Housing, Inc.
Contact: Mat Eland
Address: 115 J Street, Suite 201
Sacramento, CA 95816
Phone: 916-638-5200
Email: meland@pacifichousing.org

General Partners / Principal Owners: PachH Covina Holdings, LLC
Charter Oaks AGP, LLC
General Partner Type: Joint Venture
Parent Companies: Pacific Housing
Lincoln Avenue Capital LLC (dba Lincoln Avenue Communities)
Developer: Lincoln Avenue Capital LLC (dba Lincoln Avenue Communities)
Investor/Consultant: Berkadia Affordable Tax Credit Solutions
Management Agents: Cornerstone Residential CA, Inc.

Project Information

Construction Type:	Acquisition and Rehabilitation
Total # Residential Buildings:	4
Total # of Units:	44
No. & % of Tax Credit Units:	43 100%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	HUD Section 8 Project-based Contract (43 Units - 98%)

Information

Set-Aside:	At-Risk
Housing Type:	At-Risk
Geographic Area:	Balance of Los Angeles County
CTCAC Project Analyst:	Jacob Couch

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percent of Required Affordable Units
At or Below 30% AMI:	22	50%
At or Below 70% AMI:	21	45%

Unit Mix

40	2-Bedroom Units
4	3-Bedroom Units
44	Total Units

Unit Type & Number	2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
18 2 Bedrooms	70%	\$2,385
21 2 Bedrooms	30%	\$1,022
1 3 Bedrooms	30%	\$1,181
3 3 Bedrooms	70%	\$2,757
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$24,000,000
Construction Costs	\$0
Rehabilitation Costs	\$4,892,360
Construction Contingency	\$638,900
Relocation	\$300,000
Architectural/Engineering	\$124,600
Const. Interest, Perm. Financing	\$1,756,713
Legal Fees	\$50,000
Reserves	\$363,409
Other Costs	\$635,699
Developer Fee	\$2,277,776
Commercial Costs	\$0
Total	\$35,039,457

Residential

Construction Cost Per Square Foot:	\$113
Per Unit Cost:	\$796,351
True Cash Per Unit Cost*:	\$774,490

Construction Financing

Source	Amount
Berkadia	\$18,046,157
Berkadia: Equity Bridge	\$11,560,829
Deferred Costs	\$363,409
Net Operating Income	\$840,008
Deferred Developer Fee	\$1,948,809
General Partner Equity	\$1,809
Tax Credit Equity	\$2,278,436

Permanent Financing

Source	Amount
Berkadia	\$18,046,157
Net Operating Income	\$840,008
Deferred Developer Fee	\$961,907
General Partner Equity	\$1,809
Tax Credit Equity	\$15,189,576
TOTAL	\$35,039,457

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$4,474,056
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$22,995,000
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$4,474,056
Applicable Rate:	9.00%
Qualified Basis (Acquisition):	\$22,995,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$402,665
Maximum Annual Federal Credit, Acquisition:	\$919,800
Total Maximum Annual Federal Credit:	\$1,322,465
Total State Credit:	\$4,331,566
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,277,776
Federal Tax Credit Factor:	\$0.88000
State Tax Credit Factor:	\$0.82000

The "as if vacant" land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Tie-Breaker Information

First:	At-Risk
Self-Score Final:	28.919%
CTCAC Final:	30.560%

Significant Information / Additional Conditions

The applicant has requested and been granted a waiver for not meeting the requirement to distribute mobility and audio visual units across various bedroom sizes under CTCAC Regulation Section 10325(f)(7)(K). All 10% of low-income units with mobility features and all 4% of low-income units with hearing / vision features are 2-bedroom units.

Resyndication and Resyndication Transfer Event: None.

Local Reviewing Agency

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

Standard Conditions

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i) at project completion.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within 1/3 mile of transit station or public bus stop	4	4	4
Within 1/2 mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within 1/2 mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5
Within 1 mile of an adult education campus or community college	3	3	3
Within 1 mile of a pharmacy	1	1	1
Service Amenities	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
SPECIAL NEEDS, SRO HOUSING TYPES			
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
State Credit Substitution	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.