CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
September 1, 2026

Sugar Pine Village Phase 2B, located at 1860 Lake Tahoe Boulevard in South Lake Tahoe on a 2.19 acre site, requested and is being recommended for a reservation of $1,768,436 in annual federal tax credits and $12,380,302 of tax-exempt bond cap to finance the new construction of 60 units of housing, consisting of 60 restricted rental units. The project will have 12 studio units, 12 one-bedroom units, 20 two-bedroom units, and 16 three-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in February 2027 and be completed in February 2029. The project will be developed by Related Irvine Development Company and will be located in Senate District 4 and Assembly District 1.

The project financing includes state funding from the Infill Infrastructure Grant (IIG), Permanent Local Housing Allocation (PLHA), and Local Government Matching Grant (LGMG) programs of HCD.

Project Number CA-26-576

Project Name Sugar Pine Village Phase 2B
Site Address: 1860 Lake Tahoe Boulevard
South Lake Tahoe, CA 96150
County: El Dorado
Census Tract: 0304.02

Tax Credit Amounts

	Federal/Annual	**State/Total**
Requested:	$1,768,436	$0
Recommended:	$1,768,436	$0

Tax-Exempt Bond Allocation
Recommended: $12,380,302

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	Sugar Pine Phase 2B Housing Partners, L.P.
Contact:	Ann Silverberg
Address:	44 Montgomery Street, Suite 1310 San Francisco, CA 94104
Phone:	415-677-9000
Email:	asilverberg@related.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Municipal Finance Authority
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	Citibank, N.A.

Development Team

General Partners / Principal Owners:	Sugar Pine Phase 2B Development Co., LLC St. Joseph Sugar Pine Village Phase 2 LLC
General Partner Type:	Joint Venture
Parent Companies:	The Related Companies of California, LLC St. Joseph Community Land Trust
Developer:	Related Irvine Development Company
Investor/Consultant:	Red Stone Equity Partners
Management Agent:	The John Stewart Company

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	2	
Total # of Units:	60	
No. / % of Low Income Units:	60	100.00%
Average Targeted Affordability:	48.00%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HOME	

Information

Housing Type:	Non-Targeted
Geographic Area:	Northern Region
State Ceiling Pool:	New Construction
Set Aside:	Extremely Low/Very Low Income Set Aside
Project Analyst:	Mena Barase

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	9	15%
40% AMI:	9	15%
50% AMI:	27	45%
60% AMI:	15	25%

Unit Mix

12	SRO/Studio Units
12	1-Bedroom Units
20	2-Bedroom Units
16	3-Bedroom Units
60	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2	SRO/Studio	30%	$676
2	SRO/Studio	40%	$901
7	SRO/Studio	50%	$1,126
1	SRO/Studio	60%	$1,351
2	1 Bedroom	30%	$724
2	1 Bedroom	40%	$965
7	1 Bedroom	50%	$1,206
1	1 Bedroom	60%	$1,447
3	2 Bedrooms	30%	$868
2	2 Bedrooms	40%	$1,158
8	2 Bedrooms	50%	$1,447
7	2 Bedrooms	60%	$1,736
2	3 Bedrooms	30%	$1,002
3	3 Bedrooms	40%	$1,337
5	3 Bedrooms	50%	$1,671
6	3 Bedrooms	60%	$2,005

Project Cost Summary at Application	
Land and Acquisition	$35,000
Construction Costs	$31,844,856
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$1,741,991
Soft Cost Contingency	$630,296
Relocation	$0
Architectural/Engineering	$1,584,350
Const. Interest, Perm. Financing	$2,886,767
Legal Fees	$148,000
Reserves	$159,487
Other Costs	$1,140,500
Developer Fee	$5,690,000
Commercial Costs	$0
Total	**$45,861,247**

Residential	
Construction Cost Per Square Foot:	$558
Per Unit Cost:	$764,354
Estimated Hard Per Unit Cost:	$462,229
True Cash Per Unit Cost*:	$712,687
Bond Allocation Per Unit:	$206,338
Bond Allocation Per Restricted Rental Unit:	$206,338

Construction Financing

Source	Amount
Citibank: Tax-Exempt	$12,380,302
Citibank: Taxable	$4,352,211
HCD: IIG	$2,698,200
HCD: LGMG	$9,317,236
HCD: HOME	$5,319,553
City of South Lake Tahoe: PLHA	$4,750,000
Deferred Costs	$188,987
Deferred Developer Fee	$4,600,000
Tax Credit Equity	$2,254,758

Permanent Financing

Source	Amount
Citibank: Tax-Exempt	$4,753,676
HCD: IIG	$2,998,000
HCD: LGMG	$9,317,236
HCD: HOME	$5,910,614
City of South Lake Tahoe: PLHA	$4,750,000
Deferred Developer Fee	$3,100,000
Tax Credit Equity	$15,031,721
TOTAL	**$45,861,247**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$44,215,365
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	$44,215,365
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$1,768,436
Approved Developer Fee (in Project Cost & Eligible Basis):	$5,690,000
Federal Tax Credit Factor:	$0.85000

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.

Significant Information / Additional Conditions
Projects with funding from HUD are required to use Utility Allowances (UAs) approved by HUD. The applicant’s use of the CUAC for Sugar Pine Village Phase 2B (CA-26-576) is subject to approval by HUD.

This project is Phase 2B of Sugar Pine Village Phase 1A, Phase 1B, and Phase 2A. All phases will be managed by an on-site property manager located in the previous Phases and share community facilities. Prior to the start of construction, all necessary agreements shall be in place to ensure that Phase 2B has sufficient property management and access to the required community spaces. The Joint Use Agreement shall be provided in the placed in service submission.

The project's 3-month operating reserve is less than the amount required under CTCAC Regulation Section 10327(c)(7)(B) by $19,917. Under CTCAC Regulation Section 10327(a) initial application errors resulting in a shortage of sources up to the higher of $100,000 or 50% of the contingency line item. However, at the submission of the next updated CTCAC application required by CTCAC, and all subsequent submissions to CTCAC, including the placed-in-service submission for the issuance of the IRS 8609 forms, the applicant must fund the 3-month operating reserve at a level that meets the requirement of CTCAC Regulation Section 10327(c)(7)(B).

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 and the terms of the bond and tax credit award as presented in the application and summarized in this staff report. CTCAC will verify the project complied with all terms of the award at placed-in-service review.

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).

CA-26-576 / Sugar Pine Village Phase 2B

Points System	Max. Possible New Const.	Max. Possible Rehab.	Points Requested	Points Awarded
New Construction Density and Local Incentives	**10**	**0**	**10**	**10**
Project is located in a "pro-housing" jurisdiction	10	0	10	10
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Average targeted affordability is 12 percent below 60%	20	0	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
General Partner & Management Company	**10**	**10**	**10**	**10**
General Partner Experience	7	7	7	7
Management Company Experience	3	3	3	3
Housing Needs	**10**	**0**	**10**	**10**
Readiness to Proceed	**10**	**10**	**10**	**10**
Access to Opportunity	**10**	**0**	**9**	**9**
10% @ 30% AMI, 10% @ 50% AMI	9	0	9	9
Service Amenities	**10**	**10**	**10**	**10**
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED				
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7	7
After school program for school age children, minimum of 6 hours/week	3	3	3	3
SPECIAL NEEDS, SRO HOUSING TYPES; NON-TARGETED				
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 25% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ⅓ mile of transit, service every 30 min, 25 units/acre density	7	7	7	7
Within ¾ mile of public park or community center open to general public	2	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5	5
Within 1 mile of a public high school	3	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3	3
Within ½ mile of a pharmacy	2	2	2	2
Total Points	**112**	**102**	**111**	**111**

Tie Breaker: 181.162%