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

The project, 1990 Lake Washington Housing, located at 1990 Lake Washington Boulevard in West Sacramento on a 3.42 acre site, requested and is being recommended for a reservation of $2,976,334 in annual federal tax credits, $22,322,497 in total state tax credits, and $22,448,424 of tax-exempt bond cap to finance the new construction of 152 units of housing, consisting of 151 restricted rental units and 1 unrestricted manager's unit. The project will have 42 one-bedroom units, 70 two-bedroom units, and 40 three-bedroom units, serving families 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 Danco Communities and will be located in Senate District 3 and Assembly District 4.

The project financing includes state funding from the Department of Developmental Services (DDS).

Project Number CA-26-592

Project Name 1990 Lake Washington Housing

Site Address:	1990 Lake Washington Boulevard West Sacramento, CA 95691
County:	Yolo
Census Tract:	103.15

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$2,976,334	$22,322,497
Recommended:	$2,976,334	$22,322,497

Tax-Exempt Bond Allocation

Recommended:	$22,448,424

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	West Sacramento Lake Washington Boulevard LP
Contact:	Chris Dart
Address:	5251 Ericson Way, Suite A Arcata, CA 95521
Phone:	707-822-9000
Email:	cdart@danco-group.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Municipal Finance Authority
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	Citi Community Capital

Development Team

General Partners / Principal Owners:	Community Revitalization and Development Corporation West Sacramento Lake Washington Boulevard LLC
General Partner Type:	Joint Venture
Parent Companies:	Johnson & Johnson Investments, LLC Johnson & Johnson Investments, LLC
Developer:	Danco Communities
Investor/Consultant:	Boston Financial
Management Agent:	Danco Property Management

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	2	
Total # of Units:	152	
No. / % of Low Income Units:	151	100.00%
Average Targeted Affordability:	50.26%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HOME	

Information

Housing Type:	Large Family
Geographic Area:	Northern Region
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	38
Project Analyst:	Anthony Wey

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	38	25%
50% AMI:	33	22%
60% AMI:	80	53%

Unit Mix

42	1-Bedroom Units
70	2-Bedroom Units
40	3-Bedroom Units
152	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
14	1 Bedroom	30%	$708
8	1 Bedroom	50%	$1,181
20	1 Bedroom	60%	$1,407
10	2 Bedrooms	30%	$849
20	2 Bedrooms	50%	$1,416
40	2 Bedrooms	60%	$1,699
14	3 Bedrooms	30%	$982
5	3 Bedrooms	50%	$1,636
20	3 Bedrooms	60%	$1,964
1	3 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$3,000,000
Construction Costs	$46,880,338
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$2,344,017
Soft Cost Contingency	$549,878
Relocation	$0
Architectural/Engineering	$1,650,000
Const. Interest, Perm. Financing	$4,706,464
Legal Fees	$115,000
Reserves	$586,701
Other Costs	$9,044,606
Developer Fee	$9,705,438
Commercial Costs	$0
Total	**$78,582,442**

Residential

Construction Cost Per Square Foot:	$2,192
Per Unit Cost:	$516,990
Estimated Hard Per Unit Cost:	$266,941
True Cash Per Unit Cost*:	$477,544
Bond Allocation Per Unit:	$147,687
Bond Allocation Per Restricted Rental Unit:	$148,665

Construction Financing

Source	Amount
Citibank, N.A.: Tax-Exempt	$22,448,424
Citibank, N.A.: Taxable	$33,068,311
Tax Credit Equity	$23,065,707

Permanent Financing

Source	Amount
Citibank, N.A.	$20,685,604
DDS	$1,850,000
CoWS[1]: HOME	$1,400,000
CoWS[1]: Impact Fees	$4,898,900
Deferred Developer Fee	$5,995,823
Tax Credit Equity	$43,752,115
TOTAL	**$78,582,442**

*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee
[1]City of West Sacramento

Determination of Credit Amount(s)

Requested Eligible Basis:	$74,408,358
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	$74,408,358
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$2,976,334
Total State Credit:	$22,322,497
Approved Developer Fee (in Project Cost & Eligible Basis):	$9,705,438
Federal Tax Credit Factor:	$0.84000
State Tax Credit Factor:	$0.84000

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
The project will restrict 38 Low-Income Units (25% of the Low-Income Units) to serve Special Needs Population(s), as defined in CTCAC Regulations Section 10302(kkk).

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-26-592 / 1990 Lake Washington Housing

Points System	Max. Possible Points		Points Requested	Points Awarded
	New Const.	Rehab.		
Acquisition/Rehabilitation Project Priorities	**0**	**20**	**0**	**0**
New Construction Density and Local Incentives	**10**	**0**	**10**	**10**
Project density is at least 100 bedrooms/net acre	10	0	10	10
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	20	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
Average targeted affordability is 29% below market comparables	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**	**10**	**10**
High or Highest Resource Area; 10% @ 30% AMI, 10% @ 50% AMI	10	0	10	10
Service Amenities	**10**	**10**	**10**	**10**
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED				
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7	7
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 50% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ½ mile of public park or community center open to general public	3	3	3	3
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
Highest or High Resource Area	3	0	3	3
Total Points	**112**	**102**	**112**	**112**

Tie Breaker: 103.432%