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

Betsy Marchand Plaza, located at 1220 Olive Drive in Davis on a 2.15 acre site, requested and is being recommended for a reservation of $777,396 in annual federal tax credits and $4,406,680 of tax-exempt bond cap to finance the acquisition & rehabilitation of 53 units of housing, consisting of 52 restricted rental units and 1 unrestricted manager's unit. The project has 52 one-bedroom units, and 1 two-bedroom unit, serving tenants with rents affordable to households earning 25%-60% of area median income (AMI). The construction is expected to begin in January 2027 and be completed in February 2028. The project will be developed by Neighborhood Partners, LLC and is located in Senate District 3 and Assembly District 4.

Betsy Marchand Plaza is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, Cesar Chavez Plaza (CA-2006-813). See Resyndication and Resyndication Transfer Event below for additional information. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Multifamily Housing Program (MHP) program of HCD.

Project Number CA-26-607

Project Name Betsy Marchand Plaza
Site Address: 1220 Olive Drive
Davis, CA 95616
County: Yolo
Census Tract: 0106.02

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$777,396	$0
Recommended:	$777,396	$0

Tax-Exempt Bond Allocation
Recommended: $4,406,680

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Betsy Marchand Plaza LP
Contact: Luke Watkins
Address: 2745 Portage Bay East
Davis, CA 95616
Phone: 530-400-2927
Email: lukewatkins@sbcglobal.net

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Housing Finance Agency
Bond Counsel: Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser: Citibank, N.A.

Development Team

General Partners / Principal Owners:	Neighborhood Partners, LLC New Hope Community Development Corporation Davis Community Meals & Housing
General Partner Type:	Joint Venture
Parent Companies:	Neighborhood Partners, LLC New Hope Community Development Corporation Davis Community Meals & Housing
Developer:	Neighborhood Partners, LLC
Investor/Consultant:	Enterprise Housing Credit Investment
Management Agent:	The John Stewart Company

Project Information

Construction Type:	Acquisition & Rehabilitation	
Total # Residential Buildings:	5	
Total # of Units:	53	
No. / % of Low Income Units:	52	100.00%
Average Targeted Affordability:	44.71%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (10 Units - 18%)	

Information

Housing Type:	Non-Targeted
Geographic Area:	Northern Region
State Ceiling Pool:	Acquisition/Rehabilitation
Set Aside:	N/A
Project Analyst:	Cynthia Compton

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
25% AMI:	19	37%
50% AMI:	13	25%
60% AMI:	20	38%

Unit Mix

52	1-Bedroom Units
1	2-Bedroom Units
53	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
17	1 Bedroom	25%	$590
10	1 Bedroom	50%	$1,181
15	1 Bedroom	60%	$1,417
2	1 Bedroom	25%	$590
3	1 Bedroom	50%	$1,181
5	1 Bedroom	60%	$1,417
1	2 Bedrooms	Manager’s Unit	$1,075

Project Cost Summary at Application	
Land and Acquisition	$6,450,373
Construction Costs	$0
Rehabilitation Costs	$7,233,700
Construction Hard Cost Contingency	$361,685
Soft Cost Contingency	$144,685
Relocation	$354,649
Architectural/Engineering	$140,000
Const. Interest, Perm. Financing	$540,000
Legal Fees	$287,500
Reserves	$179,785
Other Costs	$123,851
Developer Fee	$1,592,954
Commercial Costs	$0
Total	**$17,409,182**

Residential	
Construction Cost Per Square Foot:	$209
Per Unit Cost:	$328,475
Estimated Hard Per Unit Cost:	$120,900
True Cash Per Unit Cost*:	$300,405
Bond Allocation Per Unit:	$83,145
Bond Allocation Per Restricted Rental Unit:	$84,744

Construction Financing

Source	Amount
Citibank, N.A.: Tax-Exempt	$4,406,680
Citibank, N.A.: Taxable	$3,348,184
River City Bank	$477,000
HCD: MHP	$3,382,682
City of Davis	$400,000
Accrued Interest	$1,913,208
Acquired Reserves	$925,758
Deferred Developer Fee	$1,592,954
Tax Credit Equity	$962,716

Permanent Financing

Source	Amount
Citibank, N.A.: Tax-Exempt	$2,408,450
River City Bank	$477,000
HCD: MHP	$3,382,682
City of Davis	$400,000
Accrued Interest	$1,913,208
Acquired Reserves	$925,758
Deferred Developer Fee	$1,487,737
Tax Credit Equity	$6,414,347
TOTAL	**$17,409,182**

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	$9,740,006
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	$6,772,891
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	$12,662,008
Qualified Basis (Acquisition):	$6,772,891
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	$506,480
Maximum Annual Federal Credit, Acquisition:	$270,916
Total Maximum Annual Federal Credit:	$777,396
Approved Developer Fee (in Project Cost & Eligible Basis):	$1,592,954
Federal Tax Credit Factor:	$0.82511

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: None.

Resyndication and Resyndication Transfer Event

Prior to closing, the applicant or its assignee shall obtain CTCAC's consent to assign and assume the existing Regulatory Agreement (CA-06-813).To be eligible for a new award of tax credits, the owner must provide documentation with the Form 8609 request (the placed in service submission) that the acquisition date and the placed in service date both occurred after the existing federal 15 year compliance period was completed.For resyndications that were originally rehabilitation and acquisition, the resyndication acquisition date cannot occur before the last rehabilitation credit year of the original credit period.

As required by the IRS, the newly resyndicated project will continue to use the originally assigned Building Identification Numbers (BINs).

The newly resyndicated project shall continue to meet the rents and income targeting levels in the existing regulatory agreement(s) and any deeper targeting levels in the new regulatory agreement(s) for the duration of the new regulatory agreement(s). Existing households determined to be income-qualified for purposes of IRC §42 credit during the 15-year compliance period are concurrently income-qualified households for purposes of the extended use agreement. As a result, any household determined to be income qualified at the time of move-in under the existing regulatory agreement (CA-2006-813) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication where the existing regulatory agreement requires service amenities.The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on CTCAC staff’s review of the commitment in the application. The services documented in the placed in service package will be reviewed by CTCAC staff for compliance with this requirement at the time of the placed in service submission.

The project is a re-syndication occurring concurrently with a Transfer Event without distribution of Net Project Equity, and thus is waived from setting aside a Short Term Work Capitalized Replacement Reserve that is otherwise required

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-26-607 / Betsy Marchand Plaza

Points System	Max. Possible New Const.	Max. Possible Rehab.	Points Requested	Points Awarded
Acquisition/Rehabilitation Project Priorities	**0**	**20**	**18**	**18**
No distribution of net project equity to GP/related party No partial/full repayment of existing soft financing >500k or 1.5% TDC Cash-out developer fee limited to 80% of CTCAC cash-out limit	0	10	10	10
$120k+ hard costs/Tax Credit Units, 2+ major building systems	0	8	8	8
New Construction Density and Local Incentives	**10**	**0**	**0**	**0**
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	0	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
Average targeted affordability is 49% 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**	**0**	**0**
Readiness to Proceed	**10**	**10**	**10**	**10**
Access to Opportunity	**10**	**0**	**0**	**0**
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
SPECIAL NEEDS, SRO HOUSING TYPES; NON-TARGETED				
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5	5
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 62% 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 minutes in rush hours	6	6	6	6
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 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**	**100**	**100**

Tie Breaker: 316.918%