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

Laurel Canyon Terrace Apartments, located at 13252 Kagel Canyon Street in Los Angeles on a 2.39 acre site, requested and is being recommended for a reservation of $1,586,378 in annual federal tax credits and $11,200,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 52 units of housing, consisting of 51 restricted rental units and 1 unrestricted manager's unit. The project has 32 two-bedroom units, and 20 three-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in December 2026 and be completed in September 2027. The project will be developed by Lincoln Avenue Capital LLC (dba Lincoln Avenue Communities) and is located in Senate District 20 and Assembly District 43.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number CA-26-608

Project Name Laurel Canyon Terrace Apartments

Site Address:	13252 Kagel Canyon Street Los Angeles, CA 91331
County:	Los Angeles
Census Tract:	1048.21

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$1,586,378	$0
Recommended:	$1,586,378	$0

Tax-Exempt Bond Allocation

Recommended:	$11,200,000

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	Laurel Canyon Terrace LP
Contact:	Brandon Hodge
Address:	401 Wilshire Blvd, 11th Floor Santa Monica, CA 90401
Phone:	(424) 222-8253
Email:	bhodge@lincolnavenue.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Harrington & Sutcliffe LLP
Private Placement Purchaser:	Berkadia Commercial Mortgage LLC
Cash Flow Permanent Bond:	Applicable
Underwriter:	Applicable

Development Team

General Partner / Principal Owner:	Pacific Housing, Inc.
General Partner Type:	Nonprofit
Parent Company:	Pacific Housing, Inc.
Developer:	Lincoln Avenue Capital LLC (dba Lincoln Avenue Communities)
Investor/Consultant:	Berkadia Affordable Tax Credit Solutions
Management Agent:	Cornerstone Residential CA, Inc.

Project Information

Construction Type:	Acquisition & Rehabilitation	
Total # Residential Buildings:	5	
Total # of Units:	52	
No. / % of Low Income Units:	51	100.00%
Average Targeted Affordability:	59.22%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Contract (51 Units - 98%)	

Information

Housing Type:	Non-Targeted
Geographic Area:	City of Los Angeles
State Ceiling Pool:	Acquisition/Rehabilitation
Project Analyst:	Cynthia Compton

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	12	24%
60% AMI:	23	45%
80% AMI*:	16	31%

*CTCAC restricted only

Unit Mix

32	2-Bedroom Units
20	3-Bedroom Units
52	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2	2 Bedrooms	30%	$1,022
3	2 Bedrooms	60%	$2,044
3	2 Bedrooms	80%	$2,726
6	2 Bedrooms	30%	$1,022
12	2 Bedrooms	60%	$2,044
6	2 Bedrooms	80%	$2,726
4	3 Bedrooms	30%	$1,181
8	3 Bedrooms	60%	$2,363
7	3 Bedrooms	80%	$3,151
1	3 Bedrooms	Manager's Unit	$0

Project Cost Summary at Application

Land and Acquisition	$24,750,000
Construction Costs	$0
Rehabilitation Costs	$7,285,393
Construction Hard Cost Contingency	$711,360
Soft Cost Contingency	$150,000
Relocation	$208,000
Architectural/Engineering	$160,500
Const. Interest, Perm. Financing	$2,167,397
Legal Fees	$157,350
Reserves	$432,027
Other Costs	$573,878
Developer Fee	$5,174,087
Commercial Costs	$0
Total	**$41,769,992**

Residential

Construction Cost Per Square Foot:	$145
Per Unit Cost:	$803,269
Estimated Hard Per Unit Cost:	$120,000
True Cash Per Unit Cost*:	$742,139
Bond Allocation Per Unit:	$215,385
Bond Allocation Per Restricted Rental Unit:	$320,000

Construction Financing

Source	Amount
Berkadia: Tax-Exempt	$11,200,000
Berkadia: Recycled Tax-Exempt	$12,500,000
Berkadia: Taxable	$28,465
Berkadia: Equity Bridge	$9,800,041
Deferred Costs	$468,427
Net Operating Income	$1,139,004
Deferred Developer Fee	$4,575,491
Tax Credit Equity	$2,058,564

Permanent Financing

Source	Amount
Berkadia: Tax-Exempt	$11,200,000
Berkadia: Recycled Tax-Exempt	$12,500,000
Berkadia: Taxable	$28,465
Net Operating Income	$1,139,004
Deferred Developer Fee	$3,178,767
Tax Credit Equity	$13,723,756
TOTAL	**$41,769,992**

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	$12,470,502
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	$27,204,127
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	$12,470,502
Qualified Basis (Acquisition):	$27,204,127
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	$498,213
Maximum Annual Federal Credit, Acquisition:	$1,088,165
Total Maximum Annual Federal Credit:	$1,586,378
Approved Developer Fee (in Project Cost & Eligible Basis):	$5,174,087
Federal Tax Credit Factor:	$0.86510

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 reservation of tax credits is contingent upon verification of the rental subsidy annual amount, number of units receiving assistance, term, and expiration date by the bond issuance deadline.

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-26-608 / Laurel Canyon Terrace Apartments

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	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 13% 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				
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5	5
After school program for school age children, minimum of 10 hours/week	5	5	5	5
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 23% 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 1 mile of public library	2	2	2	2
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5	0
Within 1 mile of an adult education campus or community college	3	3	3	3
Within ½ mile of a pharmacy	2	2	2	2
Total Points	**112**	**102**	**100**	**100**

Tie Breaker: 230.014%