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

Flats at Palm Springs, located at 305 West San Rafael Drive in Palm Springs on a 4.28 acre site, requested and is being recommended for a reservation of $1,735,945 in annual federal tax credits and $9,180,477 of tax-exempt bond cap to finance the new construction of 82 units of housing, consisting of 81 restricted rental units and 1 unrestricted manager's unit. The project will have 27 one-bedroom units, 30 two-bedroom units, and 25 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in February 2027 and be completed in October 2028. The project will be developed by Red Tail Multifamily Land Development, LLC and will be located in Senate District 19 and Assembly District 47.

The project financing includes state funding from the Mixed-Income Program (MIP) through the California Housing Finance Agency (CalHFA).

Project Number CA-26-610

Project Name Flats at Palm Springs

Site Address:	305 West San Rafael Drive Palm Springs, CA 92262
County:	Riverside
Census Tract:	446.05

Tax Credit Amounts

	Federal/Annual	**State/Total**
Requested:	$1,735,945	$0
Recommended:	$1,735,945	$0

Tax-Exempt Bond Allocation

Recommended:	$9,180,477

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	FLT San Rafael, L.P.
Contact:	Ron Wu
Address:	2082 Michelson Drive, 3rd Floor Irvine, CA 92612
Phone:	(415) 757-8639
Email:	rwu@rtacq.com

Bond Financing Information

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

Development Team

General Partners / Principal Owners:	FLT San Rafael AGP, LLC
	AHA Palm Springs MGP, LLC
General Partner Type:	Joint Venture
Parent Companies:	FLT San Rafael, LP
	Affordable Housing Access, Inc
Developer:	Red Tail Multifamily Land Development, LLC
Investor/Consultant:	R4 Capital
Management Agent:	VPM Management, Inc.

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	3	
Total # of Units:	82	
No. / % of Low Income Units:	81	100.00%
Average Targeted Affordability:	57.16%	
Federal Set-Aside Elected:	40%/60% Average Income	

Information

Housing Type:	Large Family
Geographic Area:	Inland Region
State Ceiling Pool:	New Construction
Set Aside:	Mixed Income Set Aside
Project Analyst:	Amit Sarang

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	26	32%
70% AMI*:	55	68%

*CTCAC restricted only

Unit Mix

27	1-Bedroom Units
30	2-Bedroom Units
25	3-Bedroom Units
82	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
15	1 Bedroom	30%	$629
12	1 Bedroom	70%	$1,469
6	2 Bedrooms	30%	$755
23	2 Bedrooms	70%	$1,762
5	3 Bedrooms	30%	$873
20	3 Bedrooms	70%	$2,037
1	2 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$0
Construction Costs	$22,827,161
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$1,122,742
Soft Cost Contingency	$500,000
Relocation	$0
Architectural/Engineering	$1,150,000
Const. Interest, Perm. Financing	$2,978,555
Legal Fees	$715,000
Reserves	$414,607
Other Costs	$1,308,188
Developer Fee	$4,354,376
Commercial Costs	$0
Total	**$35,370,629**

Residential

Construction Cost Per Square Foot:	$258
Per Unit Cost:	$431,349
Estimated Hard Per Unit Cost:	$247,756
True Cash Per Unit Cost*:	$390,093
Bond Allocation Per Unit:	$111,957
Bond Allocation Per Restricted Rental Unit:	$353,095

Construction Financing

Source	Amount
Citibank: Tax-Exempt	$9,180,477
Citibank: Taxable	$17,782,685
Deferred Costs	$6,168,323
Tax Credit Equity	$2,239,144

Permanent Financing

Source	Amount
CalHFA: Tax-Exempt	$9,180,477
CalHFA: Taxable	$29,512
CalHFA: MIP	$4,050,000
City of Palm Springs	$3,800,000
Deferred Developer Fee	$3,383,015
Tax Credit Equity	$14,927,625
TOTAL	**$35,370,629**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$33,383,551
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$43,398,616
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$1,735,945
Approved Developer Fee (in Project Cost & Eligible Basis):	$4,354,376
Federal Tax Credit Factor:	$0.85991

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 proposed rent does not include a utility allowance. The owner will pay for all utilities.

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-26-610 / Flats at Palm Springs

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 meets CDLAC § 5105(c)(1)	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 31% 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**	**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
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3	3
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 54% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ⅓ mile of transit station or public bus stop	4	4	4	4
Within ½ mile of public park or community center open to general public	3	3	3	3
Within ¼ mile of a neighborhood market of at least 5,000 sf	4	4	4	4
Within 1 mile of a public high school	3	3	3	3
Total Points	**112**	**102**	**111**	**111**