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

Evergreen Village II, located at 420 North Evergreen Avenue in Los Angeles on a 0.95 acre site, requested and is being recommended for a reservation of $727,711 in annual federal tax credits and $5,000,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 54 units of housing, consisting of 53 restricted rental units and 1 unrestricted manager's unit. The project has 12 one-bedroom units, 15 two-bedroom units, 13 three-bedroom units, and 14 four-bedroom units, serving families with rents affordable to households earning 35%-60% of area median income (AMI). The construction is expected to begin in December 2026 and be completed in December 2027. The project will be developed by Valued Housing II, LLC and is located in Senate District 26 and Assembly District 54.

Evergreen Village II is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, Evergreen Village (CA-93-084). See Resyndication and Resyndication Transfer Event below for additional information.

Project Number CA-26-652

Project Name Evergreen Village II

Site Address:	420 North Evergreen Avenue Los Angeles, CA 90033
County:	Los Angeles
Census Tract:	2038.00

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$727,711	$0
Recommended:	$727,711	$0

Tax-Exempt Bond Allocation

Recommended:	$5,000,000

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	Valued Housing II, LLC
Contact:	Peter Barker
Address:	1101 East Orangewood Avenue, Suite 200 Anaheim, CA 92805
Phone:	714-533-3450
Email:	pbarker@barkermgmt.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	City of LA / Los Angeles Housing Department
Bond Counsel:	Kutak Rock LLP
Private Placement Purchaser:	Lument
Cash Flow Permanent Bond:	Applicable

Development Team

General Partners / Principal Owners:	Valued Housing II, LLC Lutheran Gardens Corp.
General Partner Type:	Joint Venture
Parent Companies:	Valued Housing II, LLC Lutheran Gardens Corp.
Developer:	Valued Housing II, LLC
Investor/Consultant:	R4 Capital
Management Agent:	Barker Management, Inc.

Project Information

Construction Type:	Acquisition & Rehabilitation	
Total # Residential Buildings:	6	
Total # of Units:	54	
No. / % of Low Income Units:	53	100.00%
Average Targeted Affordability:	49.43%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / Community Development Block Grant (CDBG)	

Information

Housing Type:	Large Family
Geographic Area:	City of Los Angeles
State Ceiling Pool:	Acquisition/Rehabilitation
Project Analyst:	Sabrina Yang

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
35% AMI:	14	26%
50% AMI:	21	40%
60% AMI:	18	34%

Unit Mix

12	1-Bedroom Units
15	2-Bedroom Units
13	3-Bedroom Units
14	4-Bedroom Units
54	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
1	1 Bedroom	35%	$854
2	1 Bedroom	35%	$901
1	2 Bedrooms	35%	$1,005
1	2 Bedrooms	35%	$1,028
1	2 Bedrooms	35%	$1,083
1	2 Bedrooms	35%	$1,192
4	3 Bedrooms	35%	$1,250
1	4 Bedrooms	35%	$1,326
2	4 Bedrooms	35%	$1,396
1	1 Bedroom	50%	$1,287
1	1 Bedroom	50%	$1,304
5	1 Bedroom	50%	$1,325
2	1 Bedroom	50%	$1,420
1	2 Bedrooms	50%	$1,466
3	2 Bedrooms	50%	$1,546
3	3 Bedrooms	50%	$1,786
1	4 Bedrooms	50%	$1,863
4	4 Bedrooms	50%	$1,993
1	2 Bedrooms	60%	$1,835
2	2 Bedrooms	60%	$1,949
1	2 Bedrooms	60%	$1,979
3	2 Bedrooms	60%	$2,044
1	3 Bedrooms	60%	$1,984
1	3 Bedrooms	60%	$2,040
1	3 Bedrooms	60%	$2,170
1	3 Bedrooms	60%	$2,253
1	3 Bedrooms	60%	$2,255
1	3 Bedrooms	60%	$2,300
1	4 Bedrooms	60%	$2,392
3	4 Bedrooms	60%	$2,512
1	4 Bedrooms	60%	$2,553
1	4 Bedrooms	Manager’s Unit	$97

Project Cost Summary at Application	
Land and Acquisition	$8,490,000
Construction Costs	$0
Rehabilitation Costs	$5,595,146
Construction Hard Cost Contingency	$621,683
Soft Cost Contingency	$25,000
Relocation	$486,930
Architectural/Engineering	$175,000
Const. Interest, Perm. Financing	$986,067
Legal Fees	$150,000
Reserves	$326,399
Other Costs	$222,694
Developer Fee	$1,169,805
Commercial Costs	$0
Total	**$18,248,724**

Residential

Construction Cost Per Square Foot:	$99
Per Unit Cost:	$337,939
Estimated Hard Per Unit Cost:	$90,234
True Cash Per Unit Cost*:	$330,211
Bond Allocation Per Unit:	$92,593
Bond Allocation Per Restricted Rental Unit:	$94,340

Construction Financing

Source	Amount
Lument: Tax-Exempt	$5,000,000
Lument: Taxable	$5,200,000
LAHD[1]: CDBG	$6,886,241
Deferred Costs	$396,158
Acquired Reserves	$100,000
Net Operating Income	$84,156
Tax Credit Equity	$582,169

Permanent Financing

Source	Amount
Lument: Tax-Exempt	$4,740,000
LAHD[1]: CDBG	$6,886,241
Acquired Reserves	$100,000
Net Operating Income	$283,466
Deferred Developer Fee	$417,327
Tax Credit Equity	$5,821,690
TOTAL	**$18,248,724**

*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee
[1]Los Angeles Housing Department

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	$8,226,447
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	$7,498,400
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	$10,694,381
Qualified Basis (Acquisition):	$7,498,400
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	$427,775
Maximum Annual Federal Credit, Acquisition:	$299,936
Total Maximum Annual Federal Credit:	$727,711
Approved Developer Fee (in Project Cost & Eligible Basis):	$1,169,805
Federal Tax Credit Factor:	$0.80000

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 sum of the project's assumed CDBG debt of $6,886,241 in the Sources and Uses budget is less than the estimation of $6,702,942 provided in the City of Los Angeles commitment letter. The difference of $183,299 is deemed to be covered by the contingency line item, since initial application errors less than 50% of the contingency line item shall be covered by the contingency line item pursuant to CTCAC Regulation Section 10327(a).

The application indicates the general contractor has not been determined and, as such, a legal status questionnaire was not provided for this entity. The legal status questionnaire for the general contractor must be provided as part of the Readiness to Proceed 180/194 -Day package.

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-93-084).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-93-084) 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-26-652 / Evergreen Village II

Points System	Max. Possible New Const.	Max. Possible Rehab.	Points Requested	Points Awarded
Acquisition/Rehabilitation Project Priorities	**0**	**20**	**17**	**17**
LIHTC project, >20 years from PIS	0	7	7	7
New Construction Density and Local Incentives	**10**	**0**	**0**	**0**
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Average targeted affordability is 10 percent below 60%	20	20	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
Average targeted affordability is 32% 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. 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 79% 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 ½ mile of public park or community center open to general public	3	3	3	3
Within ½ mile of public library	3	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5	5
Within ¼ mile of a public elementary school	3	3	0	3
Within 1 mile of an adult education campus or community college	3	3	3	0
Within ½ mile of medical clinic or hospital	3	3	3	3
Within 1 mile of a pharmacy	1	1	1	1
Total Points	**112**	**102**	**99**	**99**

Tie Breaker: 541.212%