

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
May 12, 2026**

Rotary Gardens, located at 500 Linden Avenue in South San Francisco on a 0.49 acre site, requested \$3,651,611 in annual federal tax credits but is being recommended for \$3,385,453 in annual federal tax credits and \$20,562,128 of tax-exempt bond cap to finance the new construction of 80 units of housing, consisting of 79 restricted rental units and 1 unrestricted manager's unit. The project will have 5 studio units, 74 one-bedroom units, and 1 two-bedroom unit, serving seniors with rents affordable to households earning 15%-60% of area median income (AMI). The construction is expected to begin in October 2026 and be completed in March 2028. The project will be developed by HumanGood Affordable Housing and will be located in Senate District 13 and Assembly District 21.

**Project Number** CA-26-410

**Project Name** Rotary Gardens  
Site Address: 500 Linden Avenue  
South San Francisco, CA 94080  
County: San Mateo  
Census Tract: 6022.02

**Tax Credit Amounts**

	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,651,611	\$0
Recommended:	\$3,385,453	\$0

**Tax-Exempt Bond Allocation**

Recommended: \$20,562,128

**CTCAC Applicant Information**

CTCAC Applicant/CDLAC Sponsor: Rotary Gardens, L.P.  
Contact: Peggy Lichthart  
Address: 1900 Huntington Drive  
Duarte, CA 91010  
Phone: 310-600-0237  
Email: peggyl@beacondevgroup.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Anzel Galvan LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner / Principal Owner: Rotary Gardens, LLC  
 General Partner Type: Nonprofit  
 Parent Company: HumanGood Affordable Housing  
 Developer: HumanGood Affordable Housing  
 Investor/Consultant: Raymond James  
 Management Agent: HumanGood Affordable Housing

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 80  
 No. / % of Low Income Units: 79 100.00%  
 Average Targeted Affordability: 41.65%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HOME

**Information**

Housing Type: Seniors  
 Geographic Area: Bay Area Region  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Gloria Witherow

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
15% AMI:	20	25%
30% AMI:	5	6%
50% AMI:	40	51%
60% AMI:	14	18%

**Unit Mix**

5	SRO/Studio Units
74	1-Bedroom Units
1	2-Bedroom Units
80	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 SRO/Studio	15%	\$425
15 1 Bedroom	15%	\$544
5 1 Bedroom	30%	\$1,088
40 1 Bedroom	50%	\$1,813
14 1 Bedroom	60%	\$2,176
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$5,443,750
Construction Costs	\$47,580,000
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,800,000
Soft Cost Contingency	\$300,000
Relocation	\$0
Architectural/Engineering	\$2,088,250
Const. Interest, Perm. Financing	\$4,352,241
Legal Fees	\$240,000
Reserves	\$451,741
Other Costs	\$3,037,154
Developer Fee	\$9,061,657
Commercial Costs	\$480,000
<b>Total</b>	<b>\$77,834,793</b>

**Residential**

Construction Cost Per Square Foot:	\$477
Per Unit Cost:	\$966,935
Estimated Hard Per Unit Cost:	\$518,969
True Cash Per Unit Cost*:	\$849,181
Bond Allocation Per Unit:	\$257,027
Bond Allocation Per Restricted Rental Unit:	\$260,280

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$20,562,128
Citibank: Taxable	\$16,324,997
HumanGood Affordable Housing: CMF <sup>1</sup>	\$1,000,000
Rotary Plaza, Inc.: Sponsor Loan	\$5,537,577
Seller Carryback	\$5,250,000
County of San Mateo: AHF 12.5 & 13.0	\$13,401,385
City of South San Francisco	\$6,562,828
Deferred Costs	\$1,810,989
Deferred Developer Fee	\$4,228,773
General Partner Equity	\$2,332,884
Tax Credit Equity	\$3,036,390

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$5,044,422
HumanGood Affordable Housing: CMF <sup>1</sup>	\$1,000,000
Rotary Plaza, Inc.: Sponsor Loan	\$5,537,577
Seller Carryback	\$5,250,000
County of San Mateo: AHF 12.5 & 13.0	\$17,866,197
City of South San Francisco	\$8,424,198
Deferred Developer Fee	\$4,228,773
General Partner Equity	\$2,332,884
Tax Credit Equity	\$28,150,742
<b>TOTAL</b>	<b>\$77,834,793</b>

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

<sup>1</sup>Capital Magnet Funds

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$70,223,286
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$91,290,272
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,385,453
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,061,657
Federal Tax Credit Factor:	\$0.83152

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.

**CTCAC Significant Information / Additional Conditions:**

The provided Attachment 16 does not correspond with the amount equity in the E-Application as required by CTCAC Regulation Sections 10322(h)(19) and 10327(c)(4). The difference of \$165,000 is within 50% of the contingency line item and may be deemed an initial application error to be corrected at placed in service pursuant to CTCAC Regulation Section 10327(a).

**CDLAC Analyst Comments:** None.

**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-26-410 / Rotary Gardens**

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
<b>New Construction Density and Local Incentives</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>10</b>
Project meets CDLAC § 5105(c)(1)	10	0	10	10
<b>Exceeding Minimum Income Restrictions</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
Average targeted affordability is 18 percent below 60%	20	0	20	20
<b>Exceeding Minimum Rent Restrictions</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
Average targeted affordability is 47% below market comparables	10	10	10	10
<b>General Partner &amp; Management Company</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
General Partner Experience	7	7	7	7
Management Company Experience	3	3	3	3
<b>Housing Needs</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>10</b>
<b>Readiness to Proceed</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Access to Opportunity</b>	<b>10</b>	<b>0</b>	<b>9</b>	<b>9</b>
10% @ 30% AMI, 10% @ 50% AMI	9	0	9	9
<b>Service Amenities</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED</b>				
Service Coordinator, minimum ratio of 1 FTE to 600 bedrooms	5	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5	5
<b>Cost Containment</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Project eligible basis is 40% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
<b>Site Amenities</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
Within 1/3 mile of transit, service every 30 min, 25 units/acre density	7	7	7	7
Within 1/2 mile of public park or community center open to general public	3	3	3	3
Within 1/2 mile of public library	3	3	3	3
Within 1/2 mile of a neighborhood market of at least 5,000 sf	3	3	3	3
Senior project within 3/4 mile of daily operated senior center/facility	2	2	2	2
Within 1/2 mile of a pharmacy	2	2	2	2
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>111</b>	<b>111</b>

**Tie Breaker:**

199.844%