

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

The project, 1318 4th Street, located at 1318 4th Street in Santa Monica on a 0.69 acre site, requested and is being recommended for a reservation of \$6,285,456 in annual federal tax credits, \$14,377,047 in total state tax credits, and \$36,583,168 of tax-exempt bond cap to finance the new construction of 122 units of housing, consisting of 120 restricted rental units and 2 unrestricted manager's units. The project will have 44 studio units, 15 one-bedroom units, 31 two-bedroom units, and 32 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in October 2026 and be completed in February 2029. The project will be developed by EAH Inc. and will be located in Senate District 24 and Assembly District 51.

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 Affordable Housing and Sustainable Communities (AHSC) program of HCD.

**Project Number** CA-26-431

**Project Name** 1318 4th Street  
 Site Address: 1318 4th Street  
 Santa Monica, CA 90401

County: Los Angeles  
 Census Tract: 7019.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$6,285,456	\$14,377,047
Recommended:	\$6,285,456	\$14,377,047

**Tax-Exempt Bond Allocation**  
 Recommended: \$36,583,168

**CTCAC Applicant Information**

CTCAC Applicant/CDLAC Sponsor: 1318 4th Street LP  
 Contact: Charles Cohen  
 Address: 22 Pelican Way  
 San Rafael, CA 94901

Phone: 310-598-3549  
 Email: Charles.Cohen@eahhousing.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
 Bond Counsel: Anzel Galvan LLP  
 Private Placement Purchaser: U.S. Bank National Association

**Development Team**

General Partner / Principal Owner: 1318 4th Street EAH LLC  
 General Partner Type: Nonprofit  
 Parent Company: EAH Inc.  
 Developer: EAH Inc.  
 Investor/Consultant: California Housing Partnership  
 Management Agent: EAH Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 122  
 No. / % of Low Income Units: 120 100.00%  
 Average Targeted Affordability: 43.75%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (50 Units - 41%) / Community Project Funding (CPF)

**Information**

Housing Type: Large Family  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 Set Aside: Homeless Set Aside  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	58	48%
50% AMI:	21	18%
60% AMI:	41	34%

**Unit Mix**

44	SRO/Studio Units
15	1-Bedroom Units
31	2-Bedroom Units
32	3-Bedroom Units
122	Total Units

<b>Unit Type &amp; Number</b>	<b>2025 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
44 SRO/Studio	30%	\$795
6 1 Bedroom	30%	\$852
9 1 Bedroom	60%	\$1,704
4 2 Bedrooms	30%	\$1,022
26 2 Bedrooms	60%	\$2,044
4 3 Bedrooms	30%	\$1,181
21 3 Bedrooms	50%	\$1,969
6 3 Bedrooms	60%	\$2,363
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$1,372,281
Construction Costs	\$70,516,246
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$18,656,533
Soft Cost Contingency	\$931,788
Relocation	\$0
Architectural/Engineering	\$2,148,526
Const. Interest, Perm. Financing	\$14,521,860
Legal Fees	\$100,673
Reserves	\$723,373
Other Costs	\$4,956,253
Developer Fee	\$15,986,184
Commercial Costs	\$1,512,855
<b>Total</b>	<b>\$131,426,572</b>

### **Residential**

Construction Cost Per Square Foot:	\$737
Per Unit Cost:	\$1,062,899
Estimated Hard Per Unit Cost:	\$501,019
True Cash Per Unit Cost*:	\$935,580
Bond Allocation Per Unit:	\$299,862
Bond Allocation Per Restricted Rental Unit:	\$304,860

### **Construction Financing**

<b>Source</b>	<b>Amount</b>
U.S. Bank: Tax-Exempt	\$36,583,168
U.S. Bank: Taxable	\$63,985,318
City of Santa Monica: HTF <sup>1</sup>	\$4,000,000
City of Santa Monica: CPF <sup>2</sup>	\$2,000,000
Waived Fees	\$2,696,656
Deferred Costs	\$2,576,373
Deferred Developer Fee	\$13,046,184
Tax Credit Equity	\$6,538,873

### **Permanent Financing**

<b>Source</b>	<b>Amount</b>
U.S. Bank: Taxable	\$7,495,000
HCD: AHSC	\$35,000,000
City of Santa Monica: HTF <sup>1</sup>	\$4,000,000
City of Santa Monica: CPF <sup>2</sup>	\$2,000,000
Waived Fees	\$2,696,656
Deferred Developer Fee	\$13,046,184
Tax Credit Equity	\$67,188,732
<b>TOTAL</b>	<b>\$131,426,572</b>

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

<sup>1</sup>Housing Trust Funds

<sup>2</sup>Community Project Funding

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$120,874,151
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$157,136,396
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$6,285,456
Total State Credit:	\$14,377,047
Approved Developer Fee in Project Cost:	\$15,986,184
Approved Developer Fee in Eligible Basis:	\$15,746,108
Federal Tax Credit Factor:	\$0.87682
State Tax Credit Factor:	\$0.84000

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 project will restrict 50 Low-Income Units (41% of the Low-Income Units) to serve Special Needs Population(s), as defined in CTCAC Regulations Section 10302(kkk).

**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-26-431 / 1318 4th Street**

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
Project density is at least 100 bedrooms/net acre	10	0	10	10
Project is located in a "pro-housing" jurisdiction	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 16 percent below 60%	20	0	20	20
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	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 53% 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>10</b>	<b>10</b>
High or Highest Resource Area; 10% @ 30% AMI, 10% @ 50% AMI	10	0	10	10
<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 51% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Project eligible basis is 51% less than the CDLAC adjusted TBL; 2 pts 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 full-scale grocery/supermarket of at least 25,000 sf	5	5	5	5
Within 1 mile of a public high school	3	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3	3
Within 1/2 mile of a pharmacy	2	2	2	2
Highest or High Resource Area	3	0	3	3
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>112</b>	<b>112</b>

**Tie Breaker:**

118.814%