

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

San Clemente Family Homes, located at 33 San Clemente Drive in Corte Madera on a 2.74 acre site, requested and is being recommended for a reservation of \$2,476,650 in annual federal tax credits and \$15,034,806 of tax-exempt bond cap to finance the acquisition & rehabilitation of 79 units of housing, consisting of 78 restricted rental units and 1 unrestricted manager's unit. The project has 21 one-bedroom units, 33 two-bedroom units, and 25 three-bedroom units, serving tenants with rents affordable to households earning 20%-60% of area median income (AMI). The construction is expected to begin in November 2026 and be completed in July 2028. The project will be developed by EAH Inc. and is located in Senate District 2 and Assembly District 12.

San Clemente Family Homes is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, San Clemente Family Housing (CA-2005-909). See Resyndication and Resyndication Transfer Event below for additional information. 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 Multifamily Housing Program (MHP) program of HCD.

Project Number CA-26-440

Project Name San Clemente Family Homes
 Site Address: 33 San Clemente Drive
 Corte Madera, CA 94925
 County: Marin
 Census Tract: 1212.00

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,476,650	\$0
Recommended:	\$2,476,650	\$0

Tax-Exempt Bond Allocation
 Recommended: \$15,034,806

CTCAC Applicant Information
 CTCAC Applicant/CDLAC Sponsor: San Clemente II Housing Partners, L.P.
 Contact: Welton Jordan
 Address: 22 Pelican Way
 San Rafael, CA 94901
 Phone: (415) 295-8876
 Email: welton.jordan@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:	San Clemente EAH II, 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:	Acquisition & Rehabilitation
Total # Residential Buildings:	3
Total # of Units:	79
No. / % of Low Income Units:	78 100.00%
Average Targeted Affordability:	41.15%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Contract (19 Units - 24%) / HOME

Information

Housing Type:	Non-Targeted
State Ceiling Pool:	Acquisition/Rehabilitation
CDLAC Project Analyst:	Amit Sarang
CTCAC Project Analyst:	Jacob Paixao

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
20% AMI:	14	18%
25% AMI:	18	23%
50% AMI:	28	36%
60% AMI:	18	23%

Unit Mix

21	1-Bedroom Units
33	2-Bedroom Units
25	3-Bedroom Units
79	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	20%	\$725
2 2 Bedrooms	20%	\$833
2 3 Bedrooms	20%	\$967
1 1 Bedroom	20%	\$725
2 2 Bedrooms	20%	\$833
1 2 Bedrooms	20%	\$833
3 3 Bedrooms	20%	\$967
1 3 Bedrooms	20%	\$967
2 1 Bedroom	25%	\$873
2 1 Bedroom	25%	\$873
1 2 Bedrooms	25%	\$1,010
6 2 Bedrooms	25%	\$1,010
2 2 Bedrooms	25%	\$1,010
3 3 Bedrooms	25%	\$941
1 3 Bedrooms	25%	\$941
1 3 Bedrooms	25%	\$941
7 1 Bedroom	50%	\$1,773
1 1 Bedroom	50%	\$1,773
6 2 Bedrooms	50%	\$1,961
4 2 Bedrooms	50%	\$1,961
9 3 Bedrooms	50%	\$2,131
1 2 Bedrooms	50%	\$1,961
4 1 Bedroom	60%	\$2,131
1 1 Bedroom	60%	\$2,131
8 2 Bedrooms	60%	\$2,473
4 3 Bedrooms	60%	\$2,539
1 1 Bedroom	60%	\$2,131
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$27,056,206
Construction Costs	\$0
Rehabilitation Costs	\$15,298,445
Construction Hard Cost Contingency	\$2,306,744
Soft Cost Contingency	\$318,834
Relocation	\$1,295,000
Architectural/Engineering	\$1,292,323
Const. Interest, Perm. Financing	\$3,298,971
Legal Fees	\$160,000
Reserves	\$554,638
Other Costs	\$388,767
Developer Fee	\$4,750,404
Commercial Costs	\$0
Total	\$56,720,332

Residential

Construction Cost Per Square Foot:	\$200
Per Unit Cost:	\$717,979
Estimated Hard Per Unit Cost:	\$167,706
True Cash Per Unit Cost*:	\$559,792
Bond Allocation Per Unit:	\$190,314
Bond Allocation Per Restricted Rental Unit:	\$192,754

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
US Bank: Tax-Exempt	\$15,034,806	US Bank: Tax-Exempt	\$8,869,000
US Bank: Taxable	\$12,167,463	Seller Carryback	\$10,250,759
Seller Carryback	\$10,250,759	HCD: MHP	\$10,079,690
HCD: MHP	\$10,079,690	County of Marin: HOME	\$2,343,987
County of Marin: HOME	\$2,343,987	Net Operating Income	\$947,446
Deferred Costs	\$2,618,477	Existing Reserves	\$835,029
Deferred Developer Fee	\$2,245,980	Deferred Developer Fee	\$2,245,980
Tax Credit Equity	\$1,979,170	Tax Credit Equity	\$21,148,441
			\$56,720,332

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$26,295,223
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$27,732,460
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$34,183,790
Qualified Basis (Acquisition):	\$27,732,460
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,367,352
Maximum Annual Federal Credit, Acquisition:	\$1,109,298
Total Maximum Annual Federal Credit:	\$2,476,650
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,750,404
Federal Tax Credit Factor:	\$0.85391

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: None.

CDLAC Analyst Comments: None.

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-2005-909). 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-2005-909) 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-26-440 / San Clemente Family Homes

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
Acquisition/Rehabilitation Project Priorities	0	20	18	18
No distribution of net project equity to GP/related party	0	10	10	10
No partial/full repayment of existing soft financing >500k or 1.5% TDC				
Cash-out developer fee limited to 80% of CTCAC cash-out limit				
\$120k+ hard costs/Tax Credit Units, 2+ major building systems	0	8	8	8
Exceeding Minimum Income Restrictions	20	20	20	20
Average targeted affordability is 18 percent below 60%	20	0	20	20
Exceeding Minimum Rent Restrictions	10	10	10	10
Average targeted affordability is 47% 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
Readiness to Proceed	10	10	10	10
Service Amenities	10	10	10	10
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED				
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
Cost Containment	12	12	12	12
Project eligible basis is 35% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	10	10	10	10
Within 1/8 mile of transit, service every 30 min, 25 units/acre density	7	7	7	7
Within 1/4 mile of public park or community center open to general public	2	2	2	2
Within 1 mile of public library	2	2	2	2
Within 1/2 mile of a neighborhood market of at least 5,000 sf	3	3	3	3
Within 1/4 mile of a public elementary school	2	2	2	2
Within 1 mile of medical clinic or hospital	2	2	2	2
Within 1 mile of a pharmacy	1	1	1	1
Total Points	112	102	100	100

Tie Breaker:

278.383%