

**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, 245 Weddell, located at 245-251 West Weddell Drive in Sunnyvale on a 1.72 acre site, requested \$5,832,651 in annual federal tax credits but is being recommended for \$5,736,199 in annual federal tax credits and \$32,018,486 of tax-exempt bond cap to finance the new construction & acquisition & rehabilitation of 123 units of housing, consisting of 121 restricted rental units and 2 unrestricted manager's units. The project will have 4 studio units, 76 one-bedroom units, 29 two-bedroom units, and 14 three-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in October 2026 and be completed in November 2028. The project will be developed by Santa Clara County Housing Authority and will be located in Senate District 10 and Assembly District 26.

245 Weddell is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, Parkview / Sunburst Apartments (CA-98-967). 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.

**Project Number** CA-26-457

**Project Name** 245 Weddell  
Site Address: 245-251 West Weddell Drive  
Sunnyvale, CA 94089  
County: Santa Clara  
Census Tract: 5048.08

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$5,832,651	\$0
Recommended:	\$5,736,199	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$32,018,486

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: 245 Weddell LP  
Contact: Preston Prince  
Address: 505 West Julian Street  
San Jose, CA 95110  
Phone: 408.993.2903  
Email: preston.prince@scchousingauthority.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: JP Morgan Chase Bank, N. A.

**Development Team**

General Partner / Principal Owner:	245 Weddell LLC
General Partner Type:	Nonprofit
Parent Company:	Villa Garcia, Inc.
Developer:	Santa Clara County Housing Authority
Investor/Consultant:	California Housing Partnership
Management Agent:	The John Stewart Company

**Project Information**

Construction Type:	New Construction & Acquisition & Rehabilitation	
Total # Residential Buildings:	3	
Total # of Units:	123	
No. / % of Low Income Units:	121	100.00%
Average Targeted Affordability:	44.88%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Contract (60 Units - 48%) / HOME / Community Development Block Grant (CDBG) / Moving To Work (MTW)	

**Information**

Housing Type:	Non-Targeted
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
CDLAC Project Analyst:	Jake Salle
CTCAC Project Analyst:	Jacob Paixao

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	60	50%
50% AMI:	17	14%
60% AMI:	37	31%
80% AMI*:	7	6%

\*CTCAC restricted only

**Unit Mix**

4	SRO/Studio Units
76	1-Bedroom Units
29	2-Bedroom Units
14	3-Bedroom Units
123	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 SRO/Studio	30%	\$1,055
31 1 Bedroom	30%	\$1,130
15 1 Bedroom	30%	\$1,130
6 2 Bedrooms	30%	\$1,356
4 3 Bedrooms	30%	\$1,567
7 1 Bedroom	50%	\$1,781
6 2 Bedrooms	50%	\$2,085
4 3 Bedrooms	50%	\$2,439
17 1 Bedroom	60%	\$1,902
15 2 Bedrooms	60%	\$2,337
5 3 Bedrooms	60%	\$2,460
6 1 Bedroom	80%	\$1,835
1 2 Bedrooms	80%	\$1,840
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$13,078,041
Construction Costs	\$59,645,461
Rehabilitation Costs	\$6,475,566
Construction Hard Cost Contingency	\$9,416,826
Soft Cost Contingency	\$715,409
Relocation	\$4,342,327
Architectural/Engineering	\$4,448,845
Const. Interest, Perm. Financing	\$7,569,909
Legal Fees	\$231,613
Reserves	\$952,625
Other Costs	\$3,296,727
Developer Fee	\$14,053,706
Commercial Costs	\$0
<b>Total</b>	<b>\$124,227,055</b>

**Residential**

Construction Cost Per Square Foot:	\$567
Per Unit Cost:	\$1,009,976
Estimated Hard Per Unit Cost:	\$474,016
True Cash Per Unit Cost*:	\$944,499
Bond Allocation Per Unit:	\$260,313
Bond Allocation Per Restricted Rental Unit:	\$280,864

**Construction Financing**

Source	Amount
Chase: Tax-Exempt	\$32,018,486
Chase: Taxable	\$30,163,621
COS <sup>1</sup> : HOME	\$1,041,420
COS <sup>1</sup> : CDBG	\$551,400
COS <sup>1</sup> : HMF <sup>2</sup> & LMHAF <sup>3</sup>	\$10,000,000
COS <sup>1</sup> : HMF <sup>2</sup>	\$1,109,452
SCCHA <sup>4</sup> : Moving To Work	\$17,401,426
SCCo <sup>5</sup> : Measure A	\$16,450,000
Deferred Costs	\$2,842,326
Acquired Reserves	\$1,283
Deferred Developer Fee	\$8,053,706
Tax Credit Equity	\$4,593,935

**Permanent Financing**

Source	Amount
Chase: Tax-Exempt	\$20,934,000
COS <sup>1</sup> : HOME	\$1,041,420
COS <sup>1</sup> : CDBG	\$551,400
COS <sup>1</sup> : HMF <sup>2</sup> & LMHAF <sup>3</sup>	\$10,000,000
COS <sup>1</sup> : HMF <sup>2</sup>	\$1,109,452
SCCHA <sup>4</sup> : Moving To Work	\$17,401,426
SCCo <sup>5</sup> : Measure A	\$16,450,000
Acquired Reserves	\$1,283
Deferred Developer Fee	\$8,053,706
Tax Credit Equity	\$48,684,368
<b>TOTAL</b>	<b>\$124,227,055</b>

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

<sup>1</sup>City of Sunnyvale

<sup>2</sup>Housing Mitigation Fund

<sup>3</sup>Low Moderate Housing Asset Fund

<sup>4</sup>Santa Clara County Housing Authority

<sup>5</sup>County of Santa Clara Office of Supportive Housing

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$103,751,250
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$8,528,354
Applicable Fraction:	100.00%
Qualified Basis:	\$134,876,625
Qualified Basis (Acquisition):	\$8,528,354
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$5,395,065
Maximum Annual Federal Credit, Acquisition:	\$341,134
Total Maximum Annual Federal Credit:	\$5,736,199
Approved Developer Fee (in Project Cost & Eligible Basis):	\$14,053,706
Federal Tax Credit Factor:	\$0.83469

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 31 Low-Income Units (25% 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**

Prior to closing, the applicant or its assignee shall obtain CTCAC's consent to assign and assume the existing Regulatory Agreement (CA-98-967). 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 for the duration of the new regulatory agreement. 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-98-967) is a qualified low-income household for the subsequent allocation (existing household eligibility is "grandfathered").

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-26-457 / 245 Weddell**

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 15 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 35% 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 32% 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 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4	4
Within 1 mile of an adult education campus or community college	3	3	3	3
Within 1/2 mile of medical clinic or hospital	3	3	3	3
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>111</b>	<b>111</b>

**Tie Breaker:**

204.620%