

**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, 87 East Evelyn Phase I, located at 87 East Evelyn Avenue in Mountain View on a 1.53 acre site, requested and is being recommended for a reservation of \$6,805,335 in annual federal tax credits, \$11,280,802 in total state tax credits, and \$36,077,751 of tax-exempt bond cap to finance the new construction of 161 units of housing, consisting of 159 restricted rental units and 2 unrestricted manager's units. The project will have 25 studio units, 53 one-bedroom units, 41 two-bedroom units, and 42 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 November 2026 and be completed in November 2028. The project will be developed by Affirmed Housing Group and will be located in Senate District 13 and Assembly District 23.

The project financing includes state funding from the Affordable Housing and Sustainable Communities (AHSC) program of HCD.

Project Number CA-26-464

Project Name 87 East Evelyn Phase I
Site Address: 87 East Evelyn Avenue
Mountain View, CA 94041
County: Santa Clara
Census Tract: 5091.09

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$6,805,335	\$11,280,802
Recommended:	\$6,805,335	\$11,280,802

Tax-Exempt Bond Allocation
Recommended: \$36,077,751

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: Compass for Affordable Housing
Contact: Robin Martinez
Address: 17190 Bernardo Center Drive, Suite 200
San Diego, CA 92128
Phone: (858) 386-7211
Email: robin@compassfah.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Public Sale: Applicable
Underwriter: Lument Securities, LLC

Development Team

General Partners / Principal Owners:	CFAH Housing, LLC AHG Evelyn, LLC
General Partner Type:	Joint Venture
Parent Companies:	Compass for Affordable Housing Affirmed Housing Group, Inc.
Developer:	Affirmed Housing Group
Investor/Consultant:	WNC & Associates, Inc.
Management Agent:	Solari Enterprises

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	161	
No. / % of Low Income Units:	159	100.00%
Average Targeted Affordability:	48.24%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Large Family
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	Extremely Low/Very Low Income Set Aside
CDLAC Project Analyst:	Sarah Lester
CTCAC Project Analyst:	Mena Barase

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	41	26%
50% AMI:	64	40%
60% AMI:	54	34%

Unit Mix

25	SRO/Studio Units
53	1-Bedroom Units
41	2-Bedroom Units
42	3-Bedroom Units
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161	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
15 SRO/Studio	30%	\$1,055
15 1 Bedroom	30%	\$1,130
2 2 Bedrooms	30%	\$1,356
9 3 Bedrooms	30%	\$1,567
10 SRO/Studio	50%	\$1,758
28 1 Bedroom	50%	\$1,884
2 2 Bedrooms	50%	\$2,261
24 3 Bedrooms	50%	\$2,611
10 1 Bedroom	60%	\$2,261
36 2 Bedrooms	60%	\$2,713
8 3 Bedrooms	60%	\$3,134
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$547,565
Construction Costs	\$95,951,638
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,828,333
Soft Cost Contingency	\$933,338
Relocation	\$0
Architectural/Engineering	\$5,310,135
Const. Interest, Perm. Financing	\$14,652,066
Legal Fees	\$560,000
Reserves	\$846,000
Other Costs	\$6,796,636
Developer Fee	\$8,436,311
Commercial Costs	\$500,000
Total	\$139,362,022

Residential

Construction Cost Per Square Foot:	\$771
Per Unit Cost:	\$862,497
Estimated Hard Per Unit Cost:	\$516,859
True Cash Per Unit Cost*:	\$847,419
Bond Allocation Per Unit:	\$224,085
Bond Allocation Per Restricted Rental Unit:	\$226,904

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$36,077,751	Citibank: Tax-Exempt	\$20,822,167
Citibank: Taxable	\$60,072,649	HCD: AHSC	\$35,000,000
City of Mountain View	\$8,000,000	City of Mountain View	\$8,000,000
HTSV: Apple AHF ¹	\$3,500,000	HTSV: Apple AHF ¹	\$3,500,000
AHG ² : Accrued Interest	\$2,857,658	AHG ² : Accrued Interest	\$2,857,658
Deferred Costs	\$5,873,233	Deferred Developer Fee	\$2,436,311
Tax Credit Equity	\$22,980,731	Tax Credit Equity	\$66,745,886
		TOTAL	\$139,362,022

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

¹Housing Trust Silicon Valley: Apple Affordable Housing Fund

²Affirmed Housing Group

Determination of Credit Amount(s)

Requested Eligible Basis:	\$130,871,823
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$170,133,370
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$6,805,335
Total State Credit:	\$11,280,802
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,436,311
Federal Tax Credit Factor:	\$0.83160
State Tax Credit Factor:	\$0.90000

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: 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-26-464 / 87 East Evelyn Phase I

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
New Construction Density and Local Incentives	10	0	10	10
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
Exceeding Minimum Income Restrictions	20	20	20	20
Average targeted affordability is 11 percent below 60%	20	0	20	20
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	0	20	20
Exceeding Minimum Rent Restrictions	10	10	10	10
Average targeted affordability is 33% 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	10	10
Readiness to Proceed	10	10	10	10
Access to Opportunity	10	0	10	10
High or Highest Resource Area; 10% @ 30% AMI, 10% @ 50% AMI	10	0	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 108% less than the CDLAC adjusted TBL; 2 pts per %	12	12	12	12
Site Amenities	10	10	10	10
Within ½ mile of transit, service every 30 minutes in rush hours	5	5	5	5
Within ½ mile of public park or community center open to general public	3	3	3	3
Within 1 mile of public library	2	2	2	2
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3	3
Within ¾ 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
Highest or High Resource Area	3	0	3	3
Total Points	112	102	112	112

Tie Breaker:

185.054%