

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

First Congregational Memorial Tower, located at 3541 Park Boulevard in San Diego on a 0.76 acre site, requested \$2,026,757 in annual federal tax credits but is being recommended for \$1,742,457 in annual federal tax credits and \$11,950,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 100 units of housing, consisting of 99 restricted rental units and 1 unrestricted manager's unit. The project has 1 studio unit, 99 one-bedroom units, serving seniors 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 December 2027. The project will be developed by RAHD Group, LLC and is located in Senate District 39 and Assembly District 78.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

Project Number CA-26-494

Project Name First Congregational Memorial Tower
Site Address: 3541 Park Boulevard
San Diego, CA 92103
County: San Diego
Census Tract: 0007.00

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	\$2,026,757	\$0
Recommended:	\$1,742,457	\$0

Tax-Exempt Bond Allocation

Recommended: \$11,950,000

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor: FCMT Housing Partners, LP
Contact: David Beacham
Address: 4142 Adams Avenue, Suite 103-250
San Diego, CA 92118
Phone: 760-579-2093
Email: Dave@rahdgroup.com

Bond Financing Information

CDLAC Applicant/Bond Issuer: California Housing Finance Authority
Bond Counsel: Orrick, Harrington & Sutcliffe LLP
Public Sale: Applicable
Underwriter: Stifel, Nicolaus & Company, Incorporated

Development Team

General Partners / Principal Owners:	FCMT MGP, LLC FCMT Housing Management, LLC
General Partner Type:	Joint Venture
Parent Companies:	First Congregational Memorial Tower CR Real Estate Development, LLC
Developer:	RAHD Group, LLC
Investor/Consultant:	Candeur Group
Management Agent:	Royal Property Management Group

Project Information

Construction Type:	Acquisition & Rehabilitation
Total # Residential Buildings:	1
Total # of Units:	100
No. / % of Low Income Units:	99 100.00%
Average Targeted Affordability:	44.55%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Contract (99 Units - 99%)

Information

Housing Type:	Seniors
Geographic Area:	Coastal Region
State Ceiling Pool:	Acquisition/Rehabilitation
CDLAC Project Analyst:	Anthony Wey
CTCAC Project Analyst:	Marilynn Thao

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	51	52%
60% AMI:	48	48%

Unit Mix

1	SRO/Studio Units
99	1-Bedroom Units
100	Total Units

<u>Unit Type & Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 SRO/Studio	30%	\$868
50 1 Bedroom	30%	\$930
48 1 Bedroom	60%	\$1,860
1 1 Bedroom	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$31,000,000
Construction Costs	\$0
Rehabilitation Costs	\$7,700,005
Construction Hard Cost Contingency	\$749,291
Soft Cost Contingency	\$50,000
Relocation	\$477,000
Architectural/Engineering	\$367,801
Const. Interest, Perm. Financing	\$592,008
Legal Fees	\$240,000
Reserves	\$683,000
Other Costs	\$844,232
Developer Fee	\$6,181,909
Commercial Costs	\$0
Total	\$48,885,246

Residential

Construction Cost Per Square Foot:	\$88
Per Unit Cost:	\$488,852
Estimated Hard Per Unit Cost:	\$66,579
True Cash Per Unit Cost*:	\$448,897
Bond Allocation Per Unit:	\$120,707
Bond Allocation Per Restricted Rental Unit:	\$11,950,000

Construction Financing

Source	Amount
Berkadia: Tax-Exempt	\$11,950,000
Berkadia: Recycled Tax-Exempt	\$19,000,000
Deferred Developer Fee	\$6,429,138
Tax Credit Equity	\$11,506,108

Permanent Financing

Source	Amount
Berkadia: Tax-Exempt	\$11,950,000
Berkadia: Recycled Tax-Exempt	\$19,000,000
Deferred Developer Fee	\$3,995,590
Tax Credit Equity	\$13,939,656
TOTAL	\$48,885,246

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

Determination of Credit Amount(s)

Requested Eligible Basis (Rehabilitation):	\$11,856,572
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$35,650,000
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$15,413,544
Qualified Basis (Acquisition):	\$35,650,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$316,457
Maximum Annual Federal Credit, Acquisition:	\$1,426,000
Total Maximum Annual Federal Credit:	\$1,742,457
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,181,909
Federal Tax Credit Factor:	\$0.80000

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's 3-month operating reserve is less than the amount required under CTCAC Regulation Section 10327(c)(7)(B) by \$29,439. Under CTCAC Regulation Section 10327(a) initial application errors of \$100,000 or less shall be deemed covered by the contingency line item. However, at the submission of the next updated CTCAC application required by CTCAC, and all subsequent submissions to CTCAC, including the placed-in-service submission for the issuance of the IRS 8609 forms, the applicant must fund the 3-month operating reserve at a level that meets the requirement of CTCAC Regulation Section 10327(c)(7)(B).

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-26-494 / First Congregational Memorial Tower

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
Acquisition/Rehabilitation Project Priorities	0	20	17	17
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				
Project has never received LIHTC	0	7	7	7
Exceeding Minimum Income Restrictions	20	20	20	20
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	0	20	20
Exceeding Minimum Rent Restrictions	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				
Other Services Specialist, 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
SPECIAL NEEDS, SRO HOUSING TYPES; NON-TARGETED				
Cost Containment	12	12	12	12
Project eligible basis is 48% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	10	10	10	10
Within 1/2 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 public library	2	2	2	2
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4	4
Senior project within 1/2 mile of daily operated senior center/facility	3	3	3	3
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	99	99

Tie Breaker:

314.156%