

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

Centerville Plaza Apartments - Phase II, located at 37422 Fremont Boulevard and 3780 Peralta Boulevard in Fremont on a 2.56 acre site, requested and is being recommended for a reservation of \$3,406,081 in annual federal tax credits and \$21,630,000 of tax-exempt bond cap to finance the new construction of 150 units of housing, consisting of 149 restricted rental units and 1 unrestricted manager's unit. The project will have 70 one-bedroom units, 42 two-bedroom units, and 38 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in September 2026 and be completed in May 2028. The project will be developed by USA Multi-Family Development, Inc. and will be located in Senate District 10 and Assembly District 24.

Project Number CA-26-497

Project Name Centerville Plaza Apartments - Phase II
Site Address: 37422 Fremont Boulevard and 3780 Peralta Boulevard
Fremont, CA 94536
County: Alameda
Census Tract: 4417.02

Tax Credit Amounts

| | Federal/Annual | State/Total |
|--------------|-----------------------|--------------------|
| Requested: | \$3,406,081 | \$0 |
| Recommended: | \$3,406,081 | \$0 |

Tax-Exempt Bond Allocation

Recommended: \$21,630,000

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor: Fremont Plaza 741, L.P.
Contact: Darren Bobrowsky
Address: 3200 Douglas Boulevard, Suite 200
Roseville, CA 95561
Phone: (916) 865-3981
Email: dbobrowsky@usapropfund.com

Bond Financing Information

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Anzel Galvan LLP
Private Placement Purchaser: Bank of America, N.A.

Development Team

General Partners / Principal Owners: USA Fremont Plaza 741, Inc.
 Riverside Charitable Corporation
 General Partner Type: Joint Venture
 Parent Companies: USA Properties Fund, Inc.
 Riverside Charitable Corporation
 Developer: USA Multi-Family Development, Inc.
 Investor/Consultant: Bank of America
 Management Agent: USA Multifamily Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 2
 Total # of Units: 150
 No. / % of Low Income Units: 149 100.00%
 Average Targeted Affordability: 60.00%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: Tax-Exempt

Information

Housing Type: Large Family
 Geographic Area: Bay Area Region
 State Ceiling Pool: New Construction
 CDLAC Project Analyst: Charity Guimont
 CTCAC Project Analyst: Rachel Bursk

55-Year Use / Affordability

| <u>Aggregate Targeting</u> | <u>Number of Units</u> | <u>Percentage of Affordable Units</u> |
|----------------------------|------------------------|---------------------------------------|
| 30% AMI: | 15 | 10% |
| 50% AMI: | 45 | 30% |
| 60% AMI: | 9 | 6% |
| 70% AMI*: | 70 | 47% |
| 80% AMI*: | 10 | 7% |

*CTCAC restricted only

Unit Mix

| | |
|------------|-----------------|
| 70 | 1-Bedroom Units |
| 42 | 2-Bedroom Units |
| 38 | 3-Bedroom Units |
| <u>150</u> | Total Units |

| <u>Unit Type & Number</u> | <u>2025 Rents Targeted % of Area Median Income</u> | <u>Proposed Rent (including utilities)</u> |
|-----------------------------------|--|--|
| 4 1 Bedroom | 30% | \$899 |
| 28 1 Bedroom | 50% | \$1,498 |
| 7 1 Bedroom | 60% | \$1,798 |
| 31 1 Bedroom | 70% | \$2,098 |
| 4 2 Bedrooms | 30% | \$1,079 |
| 11 2 Bedrooms | 50% | \$1,798 |
| 1 2 Bedrooms | 60% | \$2,158 |
| 9 2 Bedrooms | 70% | \$2,518 |
| 1 2 Bedrooms | 80% | \$2,552 |
| 4 2 Bedrooms | 30% | \$1,079 |
| 1 2 Bedrooms | 50% | \$1,798 |
| 6 2 Bedrooms | 70% | \$2,518 |
| 4 2 Bedrooms | 80% | \$2,878 |
| 3 3 Bedrooms | 30% | \$1,246 |
| 5 3 Bedrooms | 50% | \$2,077 |
| 1 3 Bedrooms | 60% | \$2,493 |
| 24 3 Bedrooms | 70% | \$2,908 |
| 5 3 Bedrooms | 80% | \$3,192 |
| 1 2 Bedrooms | Manager's Unit | \$3,620 |

Project Cost Summary at Application

| | |
|------------------------------------|---------------------|
| Land and Acquisition | \$13,467,518 |
| Construction Costs | \$38,718,601 |
| Rehabilitation Costs | \$0 |
| Construction Hard Cost Contingency | \$2,921,241 |
| Soft Cost Contingency | \$550,847 |
| Relocation | \$0 |
| Architectural/Engineering | \$2,385,692 |
| Const. Interest, Perm. Financing | \$7,565,565 |
| Legal Fees | \$110,000 |
| Reserves | \$813,742 |
| Other Costs | \$8,474,586 |
| Developer Fee | \$8,543,680 |
| Commercial Costs | \$791,039 |
| Total | \$84,342,511 |

Residential

| | |
|---|-----------|
| Construction Cost Per Square Foot: | \$273 |
| Per Unit Cost: | \$557,010 |
| Estimated Hard Per Unit Cost: | \$223,176 |
| True Cash Per Unit Cost*: | \$538,552 |
| Bond Allocation Per Unit: | \$144,200 |
| Bond Allocation Per Restricted Rental Unit: | \$313,478 |

| Construction Financing | | Permanent Financing | |
|-----------------------------|--------------|------------------------|---------------------|
| Source | Amount | Source | Amount |
| Bank of America: Tax-Exempt | \$21,630,000 | Citibank: Tax-Exempt | \$21,630,000 |
| Bank of America: Taxable | \$25,395,000 | Citibank: Taxable | \$10,495,000 |
| BAHIF ¹ | \$14,250,000 | BAHIF ¹ | \$14,250,000 |
| Deferred Costs | \$8,461,722 | Net Operating Income | \$1,767,969 |
| General Partner Equity | \$2,750,000 | Deferred Developer Fee | \$2,794,813 |
| Tax Credit Equity | \$6,130,946 | General Partner Equity | \$2,750,000 |
| | | Tax Credit Equity | \$30,654,729 |
| | | TOTAL | \$84,342,511 |

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

¹Bay Area Housing Investment Fund, LLC

Determination of Credit Amount(s)

| | |
|--|--------------|
| Requested Eligible Basis: | \$65,501,549 |
| 130% High Cost Adjustment: | Yes |
| Applicable Fraction: | 100.00% |
| Qualified Basis: | \$85,152,014 |
| Applicable Rate: | 4.00% |
| Total Maximum Annual Federal Credit: | \$3,406,081 |
| Approved Developer Fee (in Project Cost & Eligible Basis): | \$8,543,680 |
| Federal 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:

This Project's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$7,035. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$6,241 on agreement of the permanent lender and equity investor.

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-26-497 / Centerville Plaza Apartments - Phase II

| 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 |
| 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 |
| Average targeted affordability is 26% 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 | | | | |
| Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction | 7 | 7 | 7 | 7 |
| Health & wellness services and programs, minimum 60 hrs per 100 bdrms | 3 | 3 | 3 | 3 |
| Cost Containment | 12 | 12 | 12 | 12 |
| Project eligible basis is 124% less than the CDLAC adjusted TBL; 2 pts per % | 12 | 12 | 12 | 12 |
| Site Amenities | 10 | 10 | 10 | 10 |
| 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 1/2 miles of a full-scale grocery/supermarket of at least 25,000 sf | 3 | 3 | 3 | 3 |
| Within 1/2 mile of a public middle school | 3 | 3 | 3 | 3 |
| Within 1/2 mile of a pharmacy | 2 | 2 | 2 | 2 |
| Highest or High Resource Area | 3 | 0 | 3 | 3 |
| Total Points | 112 | 102 | 112 | 112 |

Tie Breaker:

204.665%