

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

Davis Trio, located at three sites (see below) in Yolo County on a total of 9.21 acres, requested \$1,810,433 in annual federal tax credits but is being recommended for \$1,783,032 in annual federal tax credits and \$10,581,312 of tax-exempt bond cap to finance the acquisition & rehabilitation of 131 units of housing, consisting of 128 restricted rental units and 3 unrestricted manager's units. The project has 37 one-bedroom units, 41 two-bedroom units, and 53 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 June 2028. The project will be developed by Mutual Housing California and is located in Senate District 3 and Assembly District 4.

Davis Trio is a resyndication of three existing Low Income Housing Tax Credit (LIHTC) projects, Northstar Apartments (CA-1997-956), Tremont Green (CA-2003-877) and Moore Village (CA-2003-887). 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.

<b>Project Number</b>	CA-26-504	
<b>Project Name</b>	Davis Trio	
Site Addresses:	Site 1: Northstar Apartments 3333 F Street Davis, CA 95616 County: Yolo Census Tract: 0105.10	Site 2: Tremont Green 5663 Marden Street Davis, CA 95616 County: Yolo Census Tract: 0104.01
	Site 3: Moore Village 2444 Moore Boulevard Davis, CA 95616 County: Yolo Census Tract: 0105.05	

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,810,433	\$0
Recommended:	\$1,783,032	\$0

<b>Tax-Exempt Bond Allocation</b>	
Recommended:	\$10,581,312

<b>CTCAC Applicant Information</b>	
CTCAC Applicant/CDLAC Sponsor:	Mutual Housing California
Contact:	Juliana Zatz-Watkins
Address:	3321 Power Inn Road Sacramento, CA 95826
Phone:	916-403-5248
Email:	Juliana@mutualhousing.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Public Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: First Citizens Bank

**Development Team**

General Partner / Principal Owner: Mutual Housing California  
General Partner Type: Nonprofit  
Parent Company: Mutual Housing California  
Developer: Mutual Housing California  
Investor/Consultant: Enterprise Community Partners  
Management Agent: Mutual Housing Management

**Project Information**

Construction Type: Acquisition & Rehabilitation  
Total # Residential Buildings: 32  
Total # of Units: 131  
No. / % of Low Income Units: 128 100.00%  
Average Targeted Affordability: 54.61%  
Federal Set-Aside Elected: 40%/60%  
Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (30 Units - 23%)

**Information**

Housing Type: Large Family  
Geographic Area: Northern Region  
State Ceiling Pool: Acquisition/Rehabilitation  
CDLAC Project Analyst: Stefanie McDaniels  
CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	13	10%
50% AMI:	30	23%
60% AMI:	85	66%

**Unit Mix**

37	1-Bedroom Units
41	2-Bedroom Units
53	3-Bedroom Units
131	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$708
3 1 Bedroom	30%	\$708
3 1 Bedroom	50%	\$1,181
4 1 Bedroom	50%	\$1,181
22 1 Bedroom	60%	\$1,417
3 1 Bedroom	60%	\$1,417
4 2 Bedrooms	30%	\$849
1 2 Bedrooms	30%	\$849
5 2 Bedrooms	50%	\$1,416
5 2 Bedrooms	50%	\$1,416
20 2 Bedrooms	60%	\$1,699
5 2 Bedrooms	60%	\$1,699
1 3 Bedrooms	30%	\$982
2 3 Bedrooms	30%	\$982
11 3 Bedrooms	50%	\$1,636
2 3 Bedrooms	50%	\$1,636
30 3 Bedrooms	60%	\$1,964
5 3 Bedrooms	60%	\$1,964
1 2 Bedrooms	Manager's Unit	\$0
2 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$17,750,868
Construction Costs	\$0
Rehabilitation Costs	\$16,611,225
Construction Hard Cost Contingency	\$0
Soft Cost Contingency	\$40,124
Relocation	\$979,675
Architectural/Engineering	\$400,000
Const. Interest, Perm. Financing	\$2,139,557
Legal Fees	\$205,000
Reserves	\$471,569
Other Costs	\$400,900
Developer Fee	\$3,695,768
Commercial Costs	\$0
<b>Total</b>	<b>\$42,694,686</b>

**Residential**

Construction Cost Per Square Foot:	\$117
Per Unit Cost:	\$325,914
Estimated Hard Per Unit Cost:	\$120,765
True Cash Per Unit Cost*:	\$306,456
Bond Allocation Per Unit:	\$80,773
Bond Allocation Per Restricted Rental Unit:	\$82,667

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
First Citizens Bank: Tax-Exempt	\$10,581,328	First Citizens Bank: Tax-Exempt	\$9,366,145
First Citizens Bank: Taxable	\$12,239,492	Seller Carryback	\$853,240
Seller Carryback	\$853,240	City of Davis	\$13,034,163
City of Davis	\$13,034,163	General Partner Loan	\$744,000
General Partner Loan	\$744,000	Accrued Interest	\$363,164
Deferred Costs	\$3,270,525	Net Operating Income	\$1,358,153
Acquired Reserves	\$545,655	Acquired Reserves	\$1,017,224
Tax Credit Equity	\$1,426,283	Deferred Developer Fee	\$1,695,768
		Tax Credit Equity	\$14,262,829
		<b>TOTAL</b>	<b>\$42,694,686</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$22,634,057
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$15,613,500
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$29,424,274
Qualified Basis (Acquisition):	\$15,613,500
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,158,492
Maximum Annual Federal Credit, Acquisition:	\$624,540
Total Maximum Annual Federal Credit:	\$1,783,032
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,695,768
Federal Tax Credit Factor:	\$0.79992
State 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**

This project involves the acquisition and rehabilitation of 32 scattered-site buildings originally constructed in the 1990s and 2000s in the city of Davis.

**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 Agreements (CA-97-956, CA-03-877, and CA-03-887). 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

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 agreements (CA-97-956, CA-03-877, CA-03-887) 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-26-504 / Davis Trio**

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
<b>Acquisition/Rehabilitation Project Priorities</b>	<b>0</b>	<b>20</b>	<b>18</b>	<b>18</b>
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
LIHTC project, >20 years from PIS	0	7	7	7
<b>Exceeding Minimum Income Restrictions</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
Average targeted affordability is 5 percent below 60%	20	0	10	20
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	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 41% 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>Readiness to Proceed</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<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 64% 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 ½ mile of transit station or public bus stop	3	3	3	3
Within ½ mile of public park or community center open to general public	3	3	3	3
Within 1½ miles of a full-scale grocery/supermarket of at least 25,000 sf	3	3	3	3
Within 1 mile of a public high school	3	3	3	3
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>100</b>	<b>100</b>

**Tie Breaker:**

318.690%