

**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, 35th & Crenshaw, located at 3501-3519 Crenshaw Boulevard in Los Angeles on a 0.64 acre site, requested \$1,968,569 in annual federal tax credits and \$3,693,206 in total state tax credits but is being recommended for \$1,886,546 in annual federal tax credits, \$2,058,302 in total state tax credits, and \$13,536,665 of tax-exempt bond cap to finance the new construction of 160 units of housing, consisting of 159 restricted rental units and 1 unrestricted manager's unit. The project will have 56 one-bedroom units, 99 two-bedroom units, and 5 three-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in November 2026 and be completed in July 2028. The project will be developed by Positive Developments, LLC and will be located in Senate District 28 and Assembly District 55.

**Project Number** CA-26-508

**Project Name** 35th & Crenshaw  
Site Address: 3501-3519 Crenshaw Boulevard  
Los Angeles, CA 90016  
County: Los Angeles  
Census Tract: 6037.22

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,968,569	\$3,693,206
Recommended:	\$1,886,546	\$2,058,302

**Tax-Exempt Bond Allocation**  
Recommended: \$13,536,665

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Housing on Merit  
Contact: Jaymie Beckett  
Address: 1901 Avenue of the Stars, Suite 365  
Los Angeles, CA 90067  
Phone: 310-435-2815  
Email: jbeckett@housingonmerit.org

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

**Development Team**

General Partners / Principal Owners:	SLT 3501 CRENSHAW GP, LLC Housing on Merit
General Partner Type:	Joint Venture
Parent Companies:	SOLA IMPACT LT OWNER, LLC Housing on Merit
Developer:	Positive Developments, LLC
Investor/Consultant:	Citibank
Management Agent:	Hyder Property Management Professionals

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	160	
No. / % of Low Income Units:	159	100.00%
Average Targeted Affordability:	60.00%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt	

**Information**

Housing Type:	Non-Targeted
Geographic Area:	City of Los Angeles
State Ceiling Pool:	BIPOC
CDLAC Project Analyst:	Sarah Lester
CTCAC Project Analyst:	Ruben Barcelo

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	32	20%
60% AMI:	31	19%
70% AMI*:	96	60%

\*CTCAC restricted only

**Unit Mix**

56	1-Bedroom Units
99	2-Bedroom Units
5	3-Bedroom Units
<u>160</u>	<u>Total Units</u>

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
11 1 Bedroom	30%	\$852
20 2 Bedrooms	30%	\$1,022
1 3 Bedrooms	30%	\$1,181
12 1 Bedroom	60%	\$1,704
17 2 Bedrooms	60%	\$2,044
2 3 Bedrooms	60%	\$2,363
32 1 Bedroom	70%	\$1,988
62 2 Bedrooms	70%	\$2,384
2 3 Bedrooms	70%	\$2,757
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$10,000
Construction Costs	\$31,200,000
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,560,000
Soft Cost Contingency	\$484,486
Relocation	\$0
Architectural/Engineering	\$1,716,000
Const. Interest, Perm. Financing	\$5,656,111
Legal Fees	\$390,000
Reserves	\$610,375
Other Costs	\$4,178,373
Developer Fee	\$6,151,779
Commercial Costs	\$0
<b>Total</b>	<b>\$51,957,123</b>

**Residential**

Construction Cost Per Square Foot:	\$296
Per Unit Cost:	\$324,732
Estimated Hard Per Unit Cost:	\$167,382
True Cash Per Unit Cost*:	\$292,217
Bond Allocation Per Unit:	\$84,604
Bond Allocation Per Restricted Rental Unit:	\$214,868

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$13,536,665
Citibank: Taxable	\$21,994,118
Haven Capital	\$9,000,000
Deferred Costs	\$2,374,713
Deferred Developer Fee	\$5,202,372
Tax Credit Equity	\$1,899,849

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citibank	\$20,906,854
Haven Capital	\$9,000,000
Deferred Developer Fee	\$5,202,372
Tax Credit Equity	\$16,847,897
<b>TOTAL</b>	<b>\$51,957,123</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$47,163,643
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$47,163,643
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,886,546
Total State Credit:	\$2,058,302
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,151,779
Federal Tax Credit Factor:	\$0.80000
State Tax Credit Factor:	\$0.85290

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-26-508 / 35th & Crenshaw**

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 density is at least 100 bedrooms/net acre	10	0	10	10
Project is located in a "pro-housing" jurisdiction	10	0	10	10
<b>Exceeding Minimum Income Restrictions</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
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 27% 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>				
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
<b>Cost Containment</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Project eligible basis is 68% 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 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
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
Within 1/2 mile of a pharmacy	2	2	2	2
<b>Negative Points</b>	<b>No Maximum</b>		<b>0</b>	
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>111</b>	<b>111</b>

**Tie Breaker:**

266.451%