

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

Santa Rosa Garden Apartments, located at 4601 Montgomery Drive in Santa Rosa on a 6.96 acre site, requested and is being recommended for a reservation of \$2,120,877 in annual federal tax credits and \$15,200,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 111 units of housing, consisting of 109 restricted rental units and 2 unrestricted manager's units. The project has 16 studio units, 20 one-bedroom units, 53 two-bedroom units, and 22 three-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in June 2026 and be completed in August 2027. The project will be developed by The Transcend Development Group and is located in Senate District 2 and Assembly District 12.

Santa Rosa Garden Apartments is a resyndication of an existing Low Income Housing Tax Credit (LIHTC) project, Santa Rosa Garden Apartments (CA-2000-821). 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 Contract.

**Project Number** CA-26-517

**Project Name** Santa Rosa Garden Apartments  
Site Address: 4601 Montgomery Drive  
Santa Rosa, CA 95409  
County: Sonoma  
Census Tract: 1517.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,120,877	\$0
Recommended:	\$2,120,877	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$15,200,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: TTG Santa Rosa Garden Limited Partnership  
Contact: Charles Treach  
Address: 601 Cypress Avenue, Suite 301  
Hermosa Beach, CA 90254  
Phone: 805-286-1321  
Email: chuck@thetranscendgrp.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Statewide Communities Development Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Lument Real Estate Capital, LLC

**Development Team**

General Partners / Principal Owners:	TTG Santa Rosa Garden MGP LLC TTG Santa Rosa Garden AGP LLC
General Partner Type:	Joint Venture
Parent Companies:	Cornucopia Services The Transcend Development Group LLC
Developer:	The Transcend Development Group
Investor/Consultant:	Greystone Real Estate Capital
Management Agent:	Barker Management, Incorporated

**Project Information**

Construction Type:	Acquisition & Rehabilitation
Total # Residential Buildings:	11
Total # of Units:	111
No. / % of Low Income Units:	109          100.00%
Average Targeted Affordability:	47.80%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Contract (81 Units - 73%)

**Information**

Housing Type:	Non-Targeted
Geographic Area:	Coastal Region
State Ceiling Pool:	Acquisition/Rehabilitation
CDLAC Project Analyst:	Jake Salle
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:	26	24%
50% AMI:	55	50%
60% AMI:	28	26%

**Unit Mix**

16	SRO/Studio Units
20	1-Bedroom Units
53	2-Bedroom Units
22	3-Bedroom Units
111	Total Units

<u>Unit Type &amp; Number</u>	<u>2025 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 SRO/Studio	30%	\$792
11 SRO/Studio	50%	\$1,321
6 1 Bedroom	30%	\$849
9 1 Bedroom	50%	\$1,415
10 2 Bedrooms	30%	\$1,019
28 2 Bedrooms	50%	\$1,698
5 3 Bedrooms	30%	\$1,177
7 3 Bedrooms	50%	\$1,963
5 1 Bedroom	60%	\$1,698
14 2 Bedrooms	60%	\$2,038
9 3 Bedrooms	60%	\$2,355
1 2 Bedrooms	Manager's Unit	\$1,940
1 3 Bedrooms	Manager's Unit	\$2,232

**Project Cost Summary at Application**

Land and Acquisition	\$32,000,000
Construction Costs	\$0
Rehabilitation Costs	\$9,585,405
Construction Hard Cost Contingency	\$968,031
Soft Cost Contingency	\$150,000
Relocation	\$832,503
Architectural/Engineering	\$330,000
Const. Interest, Perm. Financing	\$4,140,968
Legal Fees	\$490,000
Reserves	\$944,213
Other Costs	\$358,401
Developer Fee	\$3,682,062
Commercial Costs	\$0
<b>Total</b>	<b>\$53,481,583</b>

**Residential**

Construction Cost Per Square Foot:	\$101
Per Unit Cost:	\$481,816
Estimated Hard Per Unit Cost:	\$75,000
True Cash Per Unit Cost*:	\$469,406
Bond Allocation Per Unit:	\$136,937
Bond Allocation Per Restricted Rental Unit:	\$139,450

<u>Construction Financing</u>		<u>Permanent Financing</u>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Lument/Freddie Mac: Tax-Exempt	\$15,200,000	Lument/Freddie Mac: Taxable	\$17,250,000
Lument/Freddie Mac: Taxable	\$17,250,000	Lument/Freddie Mac: Tax-Exempt	\$15,200,000
Net Operating Income	\$1,838,707	Net Operating Income	\$1,838,707
Deferred Developer Fee	\$1,377,512	Deferred Developer Fee	\$1,377,512
Tax Credit Equity	\$13,895,984	Tax Credit Equity	\$17,815,364
		<b>TOTAL</b>	<b>\$53,481,583</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$16,882,478
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$31,080,000
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$21,947,221
Qualified Basis (Acquisition):	\$31,080,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$877,677
Maximum Annual Federal Credit, Acquisition:	\$1,243,200
Total Maximum Annual Federal Credit:	\$2,120,877
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,682,062
Federal Tax Credit Factor:	\$0.84000

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**

Prior to closing, the applicant or its assignee shall obtain CTCAC's consent to assign and assume the existing Regulatory Agreement (CA-00-821). 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 period.

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 agreement (CA-00-821) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication occurring concurrently with a Transfer Event. The existing tax credit regulatory agreement has a remaining term of five (5) or less years, and thus the project 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-26-517 / Santa Rosa Garden Apartments**

Points System	Max. Possible		Points Requested	Points Awarded
	New Const.	Rehab.		
<b>Acquisition/Rehabilitation Project Priorities</b>	<b>0</b>	<b>20</b>	<b>17</b>	<b>17</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				
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>
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 36% 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>12</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. 84 hrs/yr instruction	7	7	7	7
<b>Cost Containment</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Project eligible basis is 56% 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 minutes in rush hours	6	6	6	6
Within 1/2 mile of public park or community center open to general public	3	3	3	3
Within 1 mile of a full-scale grocery/supermarket of at least 25,000 sf	4	4	4	4
Within 1/2 mile of medical clinic or hospital	3	3	3	3
Within 1/2 mile of a pharmacy	2	2	2	2
In-unit high speed internet service	2	2	2	2
<b>Total Points</b>	<b>112</b>	<b>102</b>	<b>99</b>	<b>99</b>

**Tie Breaker:**

343.585%