

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Project Staff Report**  
**2009 Cash in Lieu of Credits - Section 1602 Funds**  
**August 5, 2009**

**Project Number** CA-2009-537

**Project Name** The Village at Tehachapi Family Apartments  
**Site Address:** East side of North Mill Street and North of H Street  
Tehachapi, CA 93561 County: Kern

**Applicant Information**

**Applicant:** Tehachapi Housing Investors, a California limited Partnership  
**Contact:** Andrew Hanna  
**Address:** 2010 Main Street, Suite 1250  
Irvine, CA 92614  
**Phone:** 949 222-9119 **Fax:** 949 222-0942  
**Email:** [andrew@globalpremierdevelopment.com](mailto:andrew@globalpremierdevelopment.com)

**General Partners(s)Type:** Joint Venture  
The general partner(s) or principal owner(s) are Foundation for Affordable Housing V, Inc. and Global Premier Development, Inc.

**Information**

**Housing Type:** Large Family  
**Proposed Average Affordability:** 49.87%

**Project Information**

**Construction Type:** New Construction  
**Federal Subsidy:** HOME  
**Total # of Units:** 81  
**Total # Residential Buildings:** 10

**Davis-Bacon Required:** No

**NEPA Required:** No

**State Prevailing Wages Required:** No

**2008 TCAC Project Number:** CA-2008-128

**Original 2008 Federal & State Tax Credits Allocated:** \$803,432 \$3,012,872

**2008 Federal & State Tax Credits Exchanged/Returned:** \$803,432 \$3,012,872

**Current Net Equity Factor:** .85 Fed .60 State

**Amount of Net Equity Factor Requested:** (\$803,432 X 10 X .85) (\$3,012,872 X .60)

**Federal & State Totals** \$6,829,172 \$1,807,723

**Total Cash Award Recommended:** **\$8,636,895**

**Approved 2008 TCAC Proposed Rent and Income Levels**

<u>Unit Type &amp; Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
4 Two-bedroom Units	30%	\$363
4 Two-bedroom Units	40%	\$484
20 Two-bedroom Units	50%	\$605
12 Two-bedroom Units	60%	\$726
4 Three-Bedroom Units	30%	\$419
4 Three-Bedroom Units	40%	\$559
20 Three-Bedroom Units	50%	\$699
12 Three-Bedroom Units	59%	\$828
1 Two-Bedroom Unit	Manager's Unit	\$0

**Project Financing**

Estimated Total Project Cost: \$14,545,944 Per Unit Cost: \$178,456

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
RHS 538	\$4,058,518
Sellers Note	\$1,100,000
Deferred Developer Fee	\$750,531
TCAC ARRA Funds	\$8,636,895
<b>TOTAL</b>	<b>\$14,545,944</b>

**Income and Expense Statement for Year 1**

<b>Gross Residential Rents:</b>	\$596,256
<b>Miscellaneous Income:</b>	\$19,440
<b>Less Vacancy Rate: 5%</b>	(\$30,785)
<b>Total Effective Gross Income:</b>	\$584,911
<b>Less Total Expenses/Reserves:</b>	\$276,750
<b>Net Operation Income:</b>	\$308,161
<b>Debt Service:</b>	\$267,966
<b>Debt Service Ratio:</b>	1.15 to 1

Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations.

### **Standard Conditions**

The Committee may make a Conditional Reservation of American Recovery and Reinvestment Act of 2009 (ARRA), Section 1602 funds for the project. This Conditional Reservation would not constitute a commitment. The provision of any funds is conditioned on TCAC's determination to proceed with, modify or cancel the project based on further underwriting and review.

All ARRA funded projects will be required to track and report on all jobs created or retained as a result of the funds.

Numbers contained in the proposed financing are subject to update and will be refined within 30 days of loan execution agreement.