

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
2009 Cash in Lieu of Credits - Section 1602 Funds
July 8, 2009
REVISED – 11-23-09

Project Number CA-2009-522

Project Name Nina Place Apartments
Site Address: 1816 Lotus Lane
Bakersfield, CA 93307 **County:** Kern
Census Tracts: 25.00

Applicant Information

Applicant: Nina Place Apartment Investors, L.P.
Sponsor: Cyrus Youssefi
Address: 1006 Fourth Street, Suite 701
Sacramento, CA 95814
Phone: (916) 446-4040 **Fax:** (916) 446-4044
Email: cfyinc@yahoo.com

General Partners Type: Joint Venture
The general partners or principal owners are Community Revitalization and Development Corporation, Cyrus Youssefi, individually, and the Egis Group, Inc.

Information

Housing Type: Large Family
Geographic Area: Central Region
Proposed Average Affordability: 49.37%

Project Information

Construction Type: New Construction
Total # of Units: 65
Total # Residential Buildings: 8

Davis-Bacon or NEPA Required: No

State Prevailing Wages Required: Yes

Applicant Requested 15% Augmentation of the Original Development Budget to Help Assist in Complying with Prevailing Wage and Other Federal Requirements.

Augmentation Calculation

15% Prevailing Wage Adjustment: **\$1,290,677** Site Work + Structures x 15% = Total Prevailing Wage Adjustment
(\$1,350,000 + \$7,254,511) X 15% = \$1,290,677

2008 TCAC Project Number: CA-2008-134

Original 2008 Federal Tax Credits Allocated: \$1,088,780

2008 Federal Tax Credits Exchanged/Returned: \$1,088,780

Applicable Fraction: X .85

Amount of Financing Requested: \$9,254,630 ((\$1,088,780 X .85) X 10)

Amount of Prevailing Wage Augmentation Requested: \$1,290,677

Revised ARRA Cash Request: \$10,545,307 (\$9,254,630 + \$1,250,677)

Cash Award Recommended: \$10,545,307

Approved 2008 TCAC Proposed Rent and Income Levels

<u>Unit Type & Number</u>	<u>% of Area Median Income</u>	<u>Proposed Rent</u> (including utilities)
3 Two-bedroom Units	30%	\$363
3 Two-bedroom Units	40%	\$484
18 Two-bedroom Units	50%	\$605
12 Two-bedroom Units	60%	\$726
3 Three-bedroom Units	30%	\$419
3 Three-bedroom Units	40%	\$559
12 Three-bedroom Units	50%	\$699
6 Three-bedroom Units	60%	\$839
1 Four-bedroom Unit	30%	\$468
1 Four-bedroom Unit	40%	\$624
2 Four-bedroom Units	50%	\$780
1 Two-bedroom Unit	Manager's Unit	\$679

Project Financing

Estimated Total Project Cost: \$14,007,290 Per Unit Cost: \$215,497

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
First Bank	\$6,909,332	Permanent Loan	\$2,918,146
G.P. Land Contribution	\$717,500	Solar Rebate	\$363,000
Deferred Developer Fee	\$1,393,395	Deferred Developer Fee	\$180,837
TCAC ARRA Funds	\$5,866,415	TCAC ARRA Funds	\$10,545,307
		TOTAL	\$14,007,290

Income and Expense Statement for Year 1

Gross Residential Rents:	\$496,812
Miscellaneous Income:	\$11,700
Less Vacancy Rate: 5%	\$(25,426)
Total Effective Gross Income:	\$483,086
Less Total Expenses/Reserves:	\$228,550
Net Operation Income:	\$254,536
Debt Service:	\$221,336
Debt Service Ratio:	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.