



California Debt Limit Allocation Committee

# **CDLAC**

## **Committee Meeting**

**Tuesday, August 6, 2024**

**1:00 PM**



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

901 P Street, Suite 213A  
Sacramento, CA 95814  
p (916) 654-6340  
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www.treasurer.ca.gov/cdlac

**MEETING NOTICE  
AGENDA**

MEETING DATE:  
**August 6, 2024**

TIME:  
**1:00 p.m.**

LOCATION:  
State Treasurer's Office  
901 P Street, Room 102  
Sacramento, CA 95814

BOARD MEMBERS (voting)  
FIONA MA, CPA, CHAIR  
State Treasurer

MALIA M. COHEN  
State Controller

GAVIN NEWSOM  
Governor

ADVISORY MEMBERS (non-voting)  
GUSTAVO VELASQUEZ  
Director of HCD

TIENA JOHNSON-HALL  
Executive Director of CalHFA

DIRECTOR  
MARINA WIAANT  
Interim Executive Director

**Members of the public are invited to participate in person, remotely via TEAMS, or by telephone.\***

[Click here to join the TEAMS meeting \(full link below\)](#)

**Public Participation Call-In Number  
(888) 557-8511  
Participant Code:  
5651115**

The California Debt Limit Allocation Committee (CDLAC) may take action on any item.  
Items may be taken out of order.  
There will be an opportunity for public comment at the end of each item, prior to any action.

- 1. Call to Order and Roll Call**
- Action Item:* **2. Approval of the Minutes of the May 15, 2024, Meeting**
- Informational:* **3. Executive Director's Report**  
*Presented by: Marina Wiant*
- Action Item:* **4. Appeals for Round 1 Award of Allocation of Qualified Private Activity Bonds for Qualified Residential Rental Projects (Cal. Code Regs., tit. 4, §5038)**  
*Presented by: D.C. Navarrette*
- Action Item:* **5. Round 1 Award of Allocation of Qualified Private Activity Bonds for Qualified Residential Rental Projects (Cal. Code Regs., tit. 4, §5037)**  
**[Qualified Residential Rental Projects Round 1 Final Recommendation List](#)**  
*Presented by: Christina Vue*

- Action Item:*        **6.     Round 2 Award of Allocation of Qualified Private Activity Bonds for Exempt Facility (EXF) Projects (Cal. Code Regs., tit. 4, §5440)**  
[EXF Recommendation List](#)  
*Presented by: Christina Vue*
- Action Item:*        **7.     Resolution No. 24-006, Adoption of Regular Rulemaking for Amendments to the California Debt Limit Allocation Committee Regulations (Cal. Code Regs., tit. 4 §5000 – 5259)**  
*Presented by: D.C. Navarrette or Marina Wiant*
- Action Item:*        **8.     Supplemental Bond Allocation Request Above the Executive Director’s Authority (Cal. Code Regs., tit. 4, §5240)**
- | <u>Application Number</u> | <u>Project Name</u>             |
|---------------------------|---------------------------------|
| CA-24-584                 | West Harbor Park                |
| CA-24-586                 | 710 Broadway                    |
| CA-24-588                 | Vintage at Folsom Apartments    |
| CA-24-589                 | Kawana Springs Apartments       |
| CA-24-590                 | Rancho Sierra Senior Apartments |
- Presented by: D.C. Navarrette*
- Action Item:*        **9.     Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Project and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4 §§5052, 5100, 5132)**
- | <u>Application Number</u>                      | <u>Project Name</u>                         |
|--|---|
| CA-23-401, 23-679, CA-24-579<br>(supplemental) | 803 E 5 <sup>th</sup> Street                |
| CA-23-612                                      | West Harbor Park                            |
| CA-23-646                                      | Citrus Grove Apartments                     |
| CA-23-653                                      | One San Pedro Phase I                       |
| CA-23-656                                      | Two Worlds Apartments                       |
| CA-23-657                                      | St. Andrews Arms & Second Avenue Apartments |
| CA-23-659                                      | Panorama View Apartments                    |
| CA-24-553                                      | Pacific Street Apartments Four              |
- Presented by: D.C. Navarrette*
- Action Item:*        **10.    Request to Waive Forfeiture of the Performance Deposit and Negative Points for the Return of Allocation for Qualified Residential Rental Project (Cal. Code Regs., tit. 4, §§5052, 5230)**
- | <u>Application Number</u> | <u>Project Name</u>       |
|---------------------------|---------------------------|
| CA-23-640                 | Grisham Community Housing |
- Presented by: D.C. Navarrette*

Action Item:

**11. Request to Waive the Maximum Bond Allocation Amount (\$75,000,000) for Round 2 Qualified Residential Rental Project (Cal. Code Regs., tit. 4 §5232)**

Application Number      Project Name

TBD                              Santa Monica Christian Towers

*Presented by: D.C. Navarrette*

**12. Public Comment**

**13. Adjournment**

**FOR ADDITIONAL INFORMATION**

CDLAC

901 P Street, Suite 213A, Sacramento, CA 95814

(916) 654-6340

This notice may also be found on the following Internet site:

<https://www.treasurer.ca.gov/cdlac>

\*Interested members of the public may use the call-in number or TEAMS to listen to and/or comment on items before CDLAC. Additional instructions will be provided to participants once they call the indicated number or join via TEAMS. The call-in number and TEAMS information are provided as an option for public participation.

CDLAC complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of CDLAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, please contact CDLAC staff no later than five calendar days before the meeting at (916) 654-6340. From a California Relay (telephone) Service for the Deaf or Hearing Impaired TDD Device, please call (800) 735-2929 or from a voice phone, (800) 735-2922.

Full TEAMS Link

<https://teams.microsoft.com/l/meetup->

[join/19%3ameeting\\_MjgxMmJlZjUtY2NmNy00YmQzLWExOTEtY2lyN2E5YjMwZGEz%40thread.v2/0?context=%7b%22Tid%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e%22%2c%22Oid%22%3a%222838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjgxMmJlZjUtY2NmNy00YmQzLWExOTEtY2lyN2E5YjMwZGEz%40thread.v2/0?context=%7b%22Tid%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e%22%2c%22Oid%22%3a%222838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d)



California Debt Limit Allocation Committee

**AGENDA ITEM 2**

**Approval of the Minutes of**

**the May 15, 2024,**

**Meeting**



## California Debt Limit Allocation Committee

901 P Street, Room 102  
Sacramento, CA 95814

May 15, 2024

### CDLAC Committee Meeting Minutes

#### 1. *Agenda Item: Call to Order and Roll Call*

The California Debt Limit Allocation Committee (CDLAC) meeting was called to order at 1:00 p.m. with the following Committee members present:

Voting Members: Fiona Ma, CPA, State Treasurer  
Evan Johnson for State Controller Malia M. Cohen  
Michele Perrault for Governor Gavin Newsom

Advisory Members: Anthony Sertich for Department of Housing and Community  
Development (HCD) Director Gustavo Velasquez  
Kate Ferguson for Tiena Johnson Hall, Executive Director for the  
California Housing Finance Agency (CalHFA)

#### 2. *Agenda Item: Approval of the Minutes of the April 3, 2024, Meeting – (Action Item)*

Chairperson Ma called for public comments:  
None.

**MOTION:** Ms. Perrault motioned to approve the minutes of the April 3, 2024, meeting, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

#### 3. *Agenda Item: Executive Director's Report* *Presented by: Marina Wiant*

Marina Wiant, Interim Executive Director, announced Norma Velarde's promotion to CDLAC Program Manager. Norma joined CDLAC in 2020 as an Associate Governmental Program Analyst. In that position, she reviewed tax exempt private activity bond applications for multifamily housing and worked on several special projects. Prior to CDLAC, she worked at California Housing Opportunities Corporation and was also an intern with California Coalition for Rural Housing. She brings a well-rounded knowledge of affordable housing to the role.

Earlier this month, Ms. Wiant spoke on a panel at the Novogradac Affordable Housing Conference with CalHFA Executive Director Tiena Johnson Hall. She also attended the Non-Profit Housing Association of Northern California (NPH) Annual Affordable Housing Leadership Awards. Tomorrow, she will be speaking at California Housing Consortium's Annual Policy Forum in Los Angeles.

Chairperson Ma called for public comments:  
None.

CDLAC Committee Meeting  
May 15, 2024



## California Debt Limit Allocation Committee

4. **Agenda Item: Recommendation for Award of Allocation to Qualified Private Activity Bonds for Exempt Facility (EXF) Projects (Round 1) – (Action Item)**

*Presented by: Christina Vue*

Ms. Vue reported that CDLAC received one EXF application in Round 1. The request is for \$44.5 million of tax-exempt bond allocation for MarBorg Industries to acquire compressed natural gas-powered collection vehicles, upgrade and improve an existing solid waste recycling and processing facility in Santa Maria, and construct a new operations depot to service customers throughout Santa Barbara County. Staff recommends approval of the allocation.

Chairperson Ma invited a representative to speak on behalf of the project.

Mark Holmstedt from Piper Sandler spoke on behalf of MarBorg Industries. He expressed appreciation for the Committee's consideration of this allocation. The project will contribute to the waste diversion goals of the state.

Chairperson Ma called for public comments:

None.

**MOTION:** Mr. Johnson motioned to approve staff's recommendation, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

5. **Agenda Item: Recommendation for Award of Allocation to the California Department of Veterans Affairs for Single Family Housing (SFH) – (Action Item)**

*Presented by: Christina Vue*

Ms. Vue reported that at the January 17, 2024, meeting, the Committee reserved \$80 million of the state ceiling for the California Department of Veterans Affairs (CalVet). CalVet has submitted its formal application for bond allocation totaling \$80 million, which it estimates will serve 237 first-time homebuyers who are active-duty military personnel or veterans. Staff recommends approval of the allocation.

Chairperson Ma called for public comments:

None.

**MOTION:** Mr. Johnson motioned to approve staff's recommendation, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

6. **Agenda Item: Request to Waive the Maximum Bond Allocation Amount (\$75,000,000) for Qualified Residential Rental Project (Cal. Code Regs., tit. 4 §5232) – (Action Item)**

*Presented by: D.C. Navarrette*

Mr. Navarrette reported that there are six requests for allocation above the \$75 million limit.



## California Debt Limit Allocation Committee

Chairperson Ma said the Committee seems to be receiving more requests to waive the maximum bond allocation amount and extend issuance deadlines.

Ms. Wiant said those items could be addressed individually under their respective agenda items. Staff has had discussions about the purpose of setting the \$75 million maximum bond allocation amount. The competitive system encourages applicants to keep their allocation requests as low as possible, but there are certain circumstances in which projects require a higher amount. The reasons for these requests in particular are due to higher regional construction costs or more complicated construction sites. Staff has discussed whether it still makes sense to have a maximum bond allocation amount and has concluded that it probably still makes sense so that the Committee has an opportunity to see what is happening. In non-competitive years, staff would still want to see projects limiting their allocation requests as much as possible, even though they would not be required to compete in the tiebreaker.

Mr. Johnson thanked Ms. Wiant for sharing that perspective. He has thought a lot about this over the past couple of days and has come to some of the same conclusions. There is already downward pressure because of the scoring rubric, so these waivers serve as an opportunity for the Committee to have insight into trends and processes. It is good for the Committee to have the opportunity to approve these waivers. He understands the reason for the requests and appreciates the awareness of the increasing number of waiver requests. He expects that the Committee will have a similar conversation regarding the extension requests.

Chairperson Ma expressed that there have been difficulties both during the pandemic and moving forward.

Chairperson Ma called for public comments:  
None.

**MOTION:** Ms. Perrault motioned to approve the waiver of the maximum bond allocation amount for all projects, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

**7. Agenda Item: Supplemental Bond Allocation Request Above the Executive Director's Authority (Cal. Code Regs., tit. 4, §5240) – (Action Item)**  
*Presented by: D.C. Navarrette*

Mr. Navarrette reported that two projects requested supplemental allocations, but one of the requests was withdrawn. The remaining request is from Southside Senior Housing (CA-24-569), which was originally allocated \$15,120,422 in Round 3 of 2021. The project is now requesting a supplemental allocation of \$2,291,000, which is within the 52% aggregate basis limit but is 15.15% of the Committee-approved allocation. This is a 50-unit special needs project located in Los Angeles. The applicant is the City of Los Angeles and the developer is John Stanley.

Chairperson Ma asked if this allocation would impact any other applications.

Mr. Navarrette said it would not impact any other applications since there is a lot of allocation left in the supplemental pool.

Chairperson Ma asked if staff supports the supplemental allocation request.





## California Debt Limit Allocation Committee

Mr. Navarrette responded affirmatively.

Chairperson Ma called for public comments:  
None.

**MOTION:** Mr. Johnson motioned to approve the supplemental allocation request for Southside Senior Housing, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

8. **Agenda Item: Request to Transfer Allocation to Another Applicant (Cal. Code Regs., tit. 4 §5120) – (Action Item)**  
*Presented by: Christina Vue*

Ms. Vue reported that two projects are requesting a transfer of allocation to another applicant. The first project is U.S. VETS-WLAVA Building 210, which is a 38-unit, special needs, new construction project located in the City of Los Angeles. The applicant and original bond issuer, California Municipal Finance Authority (CMFA), received the award of allocation on December 6, 2023. CMFA and CalHFA are jointly requesting a transfer of allocation to CalHFA, thereby resulting in a transfer of the original bond allocation of \$14,219,583 and a supplemental bond allocation of \$4,936,246. CalHFA is here to explain the need to transfer the allocation.

Ms. Vue said the second project requesting a transfer of allocation is Avenue 34 Apartments, which is a 66-unit, large family, new construction project located in the City of Los Angeles. The applicant and original bond issuer, The California Statewide Communities Development Authority (CSCDA), received a supplemental bond allocation for the project on February 6, 2024. CSCDA and CalHFA are jointly requesting a transfer of the supplemental bond allocation of \$1.4 million. CalHFA and the developer are available to explain further and answer questions.

Chairperson Ma said that she previously voted against these transfers, so she would like to understand what has happened with these projects.

Ms. Ferguson said that in the case of U.S. VETS-WLAVA Building 210, CMFA has gone through the project with the assumption that the land was owned by the City of Los Angeles, but the land is actually owned by the federal government. Because it is federal land, CMFA, as a joint powers authority (JPA), cannot be the issuer and asked CalHFA to step in.

Chairperson Ma said that sounds like a jurisdiction issue and not a workload issue.

Mr. Ferguson confirmed that is correct; it is unrelated to Chairperson Ma's concerns at the previous meeting.

Ms. Perrault asked for clarification that this project also withdrew its second supplemental request under the last agenda item.

Ms. Vue confirmed that is correct.

Ms. Perrault asked if the transfer request, therefore, only applies to the original supplemental allocation.

Ms. Vue responded affirmatively.



## California Debt Limit Allocation Committee

Ms. Ferguson explained that the second project requesting a transfer of allocation, Avenue 34 Apartments, originally received bond cap via carryforward in 2020. The project is getting close to completion and received additional bond cap recently. After CSCDA did the initial bond issuance, CalHFA issued recycled bonds and taxable bonds. CalHFA is currently taking those bonds out, and right now there are two different regulatory agreements from both CSCDA and CalHFA. The CalHFA regulatory agreement is not recorded with CDLAC because only recycled bonds were used, not new bonds. CalHFA is trying to achieve consistency by requesting a transfer of the CSCDA allocation to CalHFA. When the project is placed in service, which should be soon, CalHFA will ask CDLAC to combine the regulatory agreements so that only CalHFA is responsible for the regulatory and reporting requirements going forward, rather than having two separate issuers doing the same reporting. The circumstances for the two projects requesting a transfer of allocation are not similar.

Mr. Johnson asked if staff has any concerns about potential challenges or workload issues regarding these transfers.

Ms. Vue said the transfers would require a minimal amount of work for staff.

Chairperson Ma called for public comments:

None.

**MOTION:** Ms. Perrault motioned to approve the transfer of allocation for both projects, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

9. **Agenda Item: Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Project and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4 §§5052, 5100, 5132) – (Action Item)**

*Presented by: D.C. Navarrette*

Mr. Navarrette reported that there are 28 extension requests.

Chairperson Ma asked Ms. Wiant to comment on the number of extension requests.

Ms. Wiant said staff has had several conversations with the issuers on these projects in an attempt to discern whether any particular issue was impacting all the projects. While all the projects have slightly different circumstances, the schedule itself seems to have been a challenge. There have been a lot of closings happening at the same time, and there will probably be a similar outcome from this year's schedule. Also, a lot of the extension requests were submitted by projects that might have been able to make the deadline but were worried about a potential need for an extension. There is not an easy process to obtain an extension other than coming to the Committee, and since the Committee will not be meeting again until August, there were a lot of requests submitted. Staff has been talking internally and seeking input from stakeholders as well as the Committee about whether there should be more discretion given to the Executive Director to grant some of these extensions in the next regulations package so that the Committee does not have to consider extensions for projects that may only be requesting a week or two.

Ms. Perrault asked for confirmation that the Executive Director currently only has delegated authority to grant extensions up to five days.



## California Debt Limit Allocation Committee

Ms. Wiant responded affirmatively.

Ms. Perrault asked how many of these extensions are being requested because projects are having to seek additional funding sources due to cost increases.

Ms. Wiant said that is a trend. Additionally, a lot of projects applied during the final round last year when they saw that the round was not going to be very competitive, but they actually needed more time.

Chairperson Ma called for public comments:

None.

**MOTION:** Ms. Perrault motioned to extend the bond allocation issuance deadline and waive forfeiture of the performance deposit for all projects, and Mr. Johnson seconded the motion.

The motion passed unanimously via roll call vote.

10. **Agenda Item: Request to Waive Forfeiture of the Performance Deposit and Negative Points for the Return of Allocation for Qualified Residential Rental Project (Cal. Code Regs., tit. 4, §§5052, 5230) – (Action Item)**  
*Presented by: D.C. Navarrette*

Mr. Navarrette explained that The OTC by Vintage Project was originally allocated \$45,599,495 in Round 3 of 2023 and is now requesting to return the allocation and waive forfeiture of the performance deposit and negative points. The project is a 228-unit large family development in Chula Vista. The applicant is CMFA and the developer is Hearthstone Housing.

Chairperson Ma invited a representative to speak on behalf of the project.

Stephen Strain from Sabelhaus & Strain LLP said he represents the developers on this project. He explained that this project is being developed on a piece of land adjacent to the Olympic training center in Chula Vista. It is owned by the City of Chula Vista. One catalyst for this project was that many of the athletes that train at the training center have had to move away from Chula Vista in recent years due to the lack of affordable housing in the area. The idea behind this project was to give preference to the athletes and coaches so they could live close to where they train while also satisfying the fair housing and general public use rules by being open to the general public, subject to that preference. The site control documents discussed the preference, and the project applied and was awarded. Six weeks later, the city reached out to the project and stated that they had looked at the documents they had with the training center and its governing body, and they were found to be more restrictive than the city had originally thought. The city stated that the preference was not enough, and the development actually needed a restriction to only be occupied by athletes and coaches. That would present challenges with complying with the fair housing and general public use rules. Since then, the project has been working with bond counsel, investor counsel, and the city to find a path forward by either implementing a restriction that would comply with all the requirements or to locate an alternative site that would not be subject to the same restrictions.

Mr. Strain believes the project has found a couple of paths forward, but both of them would take a great deal of time. Even with the possibility of a 90-day extension, it would not be enough time. One path



## California Debt Limit Allocation Committee

would involve the city adopting an ordinance specific to this project, which would take time. The other path would involve entitling a new site, which would also take time. Therefore, the project has elected to return its allocation and is requesting a waiver of the negative points and forfeiture of the performance deposit since these issues arose a month and a half after the allocation was awarded.

Mr. Johnson said that Committee's practice in the past has been to waive negative points but keep the performance deposit.

Ms. Perrault said this situation does not appear to have been within the control of the applicant, and it might be appropriate to waive both the negative points and forfeiture of the performance deposit since the situation is in the hands of the city, and the project is trying to move forward.

Chairperson Ma said there have also been circumstances out of the developers' control in the past.

Ms. Perrault said that is fair.

Chairperson Ma said this would set a new precedent.

Ms. Perrault said she does not want to do that.

Mr. Johnson said he is inclined to stick with precedent. There are often good causes, but it is important to keep pressure on projects to get to a certain distance in the process before applying for an allocation. He is not implying that this was not done in this situation, but it is still important to keep the precedent unless there is a significant extenuating circumstance.

Chairperson Ma expressed agreement because there are other projects waiting for an allocation.

Chairperson Ma called for public comments:

None.

**MOTION:** Mr. Johnson motioned to waive negative points but not to waive forfeiture of the performance deposit, and Ms. Perrault seconded the motion.

The motion passed unanimously via roll call vote.

### 11. Public Comment

Robert Lutz [? last name unclear] from Nor Cal Carpenters Union (NCCU) said his organization has submitted comment letters to CDLAC about the tiebreaker, specifically regarding how the scoring guidelines reward projects required to pay prevailing wages. It is important to incorporate the positive social and economic benefits of prevailing wages, apprenticeship training opportunities, and healthcare coverage into the tiebreaker formula. NCCU believes the tiebreaker should be amended. Currently, the only impact prevailing wage has on the CDLAC scoring guidelines is a 15% basis adjustment in the tiebreaker formula. At the very least, NCCU is asking the Committee to raise the basis adjustment to 20% for projects paying state prevailing wages, which would be in line with the cost adjustment in the CTCAC application. NCCU also recommends that the 15% basis adjustment be kept or even lowered for projects paying federal Davis-Bacon prevailing wages, which can be equal to or less than unregulated construction wages. The 20% basis adjustment may not move the needle for every type of project, but it would create continuity between the CDLAC and CTCAC regulations, as well as adding some additional benefit to prevailing wage projects. While any improvement is good, this framing ultimately ignores the fact that higher wages allow construction workers to live and spend more readily in their own communities, which



## California Debt Limit Allocation Committee

has a ripple effect far beyond any one individual household. This is why NCCU's second recommended change is to incorporate the positive social and economic outcomes created by prevailing wages into the numerator of the tiebreaker formula, which calculates public benefit. The three categories of measurable public benefit created by prevailing wage projects are: monetary contributions to apprenticeship training programs, increased earnings associated with apprenticeship completion, and public cost savings from increased health insurance coverage. These three measures are clear public benefits that are easily quantifiable and should be included in the tiebreaker calculation in the same way rent savings and location benefits are included. NCCU urges CDLAC to incorporate these suggestions in the next round of regulation updates and is ready to work with staff on this issue.

### 12. **Adjournment**

The meeting was adjourned at 1:29 p.m.

DRAFT



California Debt Limit Allocation Committee

**AGENDA ITEM 3**  
**Executive Director's Report**  
**(section left blank)**



## **AGENDA ITEM 4**

**Appeals for Round 1 Award of  
Allocation of Qualified Private  
Activity Bonds for Qualified  
Residential Rental Projects (Cal.  
Code Regs., tit. 4, §5038)**

As of July 26, 2024, no appeals have been received by CDLAC.





**AGENDA ITEM 5**

**Round 1 Award of Allocation**

**of Qualified Private Activity**

**Bonds for Qualified**

**Residential Rental Projects**

**(Cal. Code Regs., tit. 4,**

**§5037)**



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 Final Staff Recommendations\*  
 To be Considered on August 6, 2024  
 QUALIFIED RESIDENTIAL RENTAL PROJECTS

NEW CONSTRUCTION GEOGRAPHIC REGIONS													
BAY AREA REGION		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$216,794,036	\$16,458,068	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
CA-24-490	City and County of San Francisco	Golden Gate Avenue Phase 1 LHCT	Large Family	\$31,132,689.00			\$31,132,689	119	116.294%	0.000%	\$0	\$3,061,153	
CA-24-521	California Municipal Finance Authority	View at San Bruno	Large Family	\$125,000,000.00			\$125,000,000	119	85.647%	0.000%	\$0	\$10,871,877	
CA-24-473	California Municipal Finance Authority	Regional Street Apartments	Seniors	\$44,202,679.00			\$44,202,679	119	67.953%	30.357%	\$0	\$3,736,224	
				<b>\$200,335,368.00</b>			<b>\$200,335,368</b>				<b>\$0</b>	<b>\$17,669,254</b>	
COASTAL REGION		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$216,794,036	\$60,457,395	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
CA-24-552	California Housing Finance Agency	The Trails at Carmel Mountain Ranch	Large Family	\$40,600,000.00			\$40,600,000	120	92.184%	0.000%	\$0	\$3,941,060	
CA-24-472	California Public Finance Authority	Citrus Flats	Large Family	\$39,050,000.00			\$39,050,000	119	126.693%	0.000%	\$0	\$3,666,667	
CA-24-460	California Municipal Finance Authority	Chula Vista Seniors	Seniors	\$12,300,000.00			\$12,300,000	119	97.809%	0.000%	\$0	\$770,213	
CA-24-564	California Housing Finance Agency	54th and El Cajon	Non-Targeted	\$22,366,641.00			\$22,366,641	119	93.708%	0.000%	\$0	\$2,195,125	
CA-24-427	California Municipal Finance Authority	Quince Street Seniors	Seniors	\$42,000,000.00			\$42,000,000	111	72.027%	0.000%	\$0	\$2,989,528	
				<b>\$156,336,641.00</b>			<b>\$156,336,641</b>				<b>\$0</b>	<b>\$13,562,593</b>	
CITY OF LOS ANGELES		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$175,499,934	\$162,384,934	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
CA-24-428	California Housing Finance Agency	6018 Brynhurst	Non-Targeted	\$7,170,000.00			\$7,170,000	119	153.345%	0.000%	\$0	\$96,833	
CA-24-426	California Housing Finance Agency	121 Mathews	Non-Targeted	\$5,945,000.00			\$5,945,000	119	152.721%	0.000%	\$0	\$492,134	
				<b>\$13,115,000.00</b>			<b>\$13,115,000</b>				<b>\$0</b>	<b>\$1,088,967</b>	
BALANCE OF LA COUNTY		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$165,176,409	\$130,825,114	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
CA-24-527	California Municipal Finance Authority	910 Wetherly Drive	Non-Targeted	\$25,251,295.00	\$9,100,000.00		\$34,351,295	119	60.690%	0.000%	\$0	\$2,856,287	
				<b>\$25,251,295.00</b>	<b>\$9,100,000.00</b>		<b>\$34,351,295</b>				<b>\$0</b>	<b>\$2,856,287</b>	
INLAND REGION		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$165,176,409	\$165,176,409	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
No projects listed for Inland Region.													
NORTHERN REGION		ROUND 1 ALLOCATION	REMAINING										
APPLICATION NUMBER	CDLAC APPLICANT	\$92,911,730	\$22,630,581	2024	2023	2022	TOTAL	POINTS	TIE BREAKER	HOMELESS %	STATE CREDIT REQUESTED	FEDERAL CREDIT REQUESTED	
		PROJECT NAME	HOUSING TYPE	BOND CAP	CARRYFORWARD	CARRYFORWARD	REQUESTES						
CA-24-433	Sacramento Housing & Redevelopment Agency	Terracina at Wildhawk	Large Family	\$34,000,000.00			\$34,000,000	120	75.289%	0.000%	\$0	\$3,131,912	
CA-24-553	California Municipal Finance Authority	Pacific Street Apartments Four	Non-Targeted	\$10,693,101.00			\$10,693,101	119	104.100%	0.000%	\$0	\$1,031,819	
CA-24-435	California Municipal Finance Authority	Sugar Pine Village Phase 1B	Non-Targeted	\$25,588,048.00			\$25,588,048	119	72.715%	0.000%	\$0	\$1,922,198	
				<b>\$70,281,149.00</b>			<b>\$70,281,149</b>				<b>\$0</b>	<b>\$6,085,929</b>	
TOTALS													
Awards	61												
2024 Bond Cap	\$1,604,688,886.12												
2023 Carryforward	\$474,090,020.88												
2022 Carryforward	\$80,300,902.00												
Total Bond Allocation	\$2,159,079,809.00												
New Construction State Credit	\$137,704,665												
Mixed Income State Credit	\$195,550,369												
Farmworker State Credit	\$1,000,000												
Other State Credit	\$724,131												
Federal Credit	\$193,104,950												

\*The information presented here is preliminary and is made available for informational purposes only. The information is not binding on the Committee or its staff. It does not represent any final decision of the Committee and should not be relied upon as such. Interested parties are cautioned that any action taken in reliance on this preliminary information is take at the parties' own risk as the information presented is subject to change at any time until formally adopted by the Committee at a duly noticed meeting.

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Parnow Friendship House, located at 164 North San Pedro Road in San Rafael on a 2.42 acre site, requested and is being recommended for a reservation of \$2,037,584 in annual federal tax credits and \$24,470,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 72 units of housing, consisting of 71 restricted rental units, and 1 unrestricted manager's unit. The project has 71 one-bedroom units, and 1 two-bedroom unit, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The renovations will include building exterior and interior upgrades. Interior renovations will include accessibility improvements to the bathrooms and kitchens to ensure all residents can enjoy them. The proposed renovation will also focus on sustainable and green building elements, including Energy Star Appliances, energy-efficient mechanical systems, low-flow fixtures, and a new Cool Roof. Lastly, there are no planned off-site improvements, complex or costly structural or site/topographical requirements, or other unique or abnormal features. The construction is expected to begin in October 2024 and be completed in May 2025. The project will be developed by SP Tax Credit Developer I LLC and is located in Senate District 2 and Assembly District 12.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-408

**Project Name** Parnow Friendship House  
Site Address: 164 North San Pedro Road  
San Rafael, CA 94903  
County: Marin  
Census Tract: 1060.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,037,584	\$0
Recommended:	\$2,037,584	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$24,470,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Parnow Preservation LP  
Contact: Sean Burrowes  
Address: 701 5th Avenue, Suite 5700  
Seattle, WA 98104  
Phone: 206-878-8481  
Email: seanb@secprop.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Public Sale: Credit Enhanced  
Underwriter: Stifel, Nicolaus & Company  
Credit Enhancement Provider: Fannie Mae

**Development Team**

General Partner(s) or Principal Owner(s): Parnow GP LLC  
 Las Palmas Housing & Development Corporation  
 General Partner Type: Joint Venture  
 Parent Company(ies): Security Properties  
 Las Palmas Housing & Development Corporation  
 Developer: SP Tax Credit Developer I LLC  
 Investor/Consultant: PNC  
 Management Agent: The John Stewart Company

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 9  
 Total # of Units: 72  
 No. / % of Low Income Units: 71 100.00%  
 Average Targeted Affordability: 50.59%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (71 Units - 100%)

**Information**

Housing Type: At-Risk  
 Geographic Area: Northern Region  
 State Ceiling Pool: Preservation  
 Set Aside: N/A  
 Homeless Set Aside Units: N/A  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	11	15%
50% AMI:	25	35%
60% AMI:	35	49%

**Unit Mix**

71 1-Bedroom Units  
 1 2-Bedroom Units  


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 72 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
11 1 Bedroom	30%	\$1,044
25 1 Bedroom	50%	\$1,741
35 1 Bedroom	60%	\$2,004
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$38,125,000
Rehabilitation Costs	\$4,378,040
Construction Hard Cost Contingency	\$434,304
Soft Cost Contingency	\$22,500
Relocation	\$252,000
Architectural/Engineering	\$237,000
Const. Interest, Perm. Financing	\$2,467,143
Legal Fees	\$12,000
Reserves	\$853,393
Other Costs	\$445,287
Developer Fee	\$6,358,997
<b>Total</b>	<b>\$53,585,664</b>

**Residential**

Construction Cost Per Square Foot:	\$93
Per Unit Cost:	\$744,245
Estimated Hard Per Unit Cost:	\$52,000
True Cash Per Unit Cost*:	\$667,558
Bond Allocation Per Unit:	\$339,861
Bond Allocation Per Restricted Rental Unit:	\$344,648

**Construction Financing**

Source	Amount
PNC: Tax-Exempt	\$24,470,000
PNC: Recycled Bonds	\$3,869,000
General Partner Loan	\$2,000,000
Deferred Developer Fee	\$5,521,455
Tax Credit Equity	\$14,180,166

**Permanent Financing**

Source	Amount
PNC: Tax-Exempt	\$24,470,000
PNC: Recycled Bonds	\$3,869,000
General Partner Loan	\$2,000,000
Deferred Developer Fee	\$5,521,456
Tax Credit Equity	\$17,725,208
<b>TOTAL</b>	<b>\$53,585,664</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$7,290,968
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$41,461,342
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$9,478,258
Qualified Basis (Acquisition):	\$41,461,342
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$379,130
Maximum Annual Federal Credit, Acquisition:	\$1,658,454
Total Maximum Annual Federal Credit:	\$2,037,584
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,358,997
Investor/Consultant:	PNC
Federal Tax Credit Factor:	\$0.86991

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**

Staff noted a per unit development cost of \$744,245. The applicant noted that the per unit cost is attributed to escalating costs of construction materials, as well as increases in labor costs, including prevailing wages.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 119.271%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Marina Towers, located at 601 Sacramento Street in Vallejo on a 0.64 acre site, requested and is being recommended for a reservation of \$2,112,952 in annual federal tax credits and \$25,400,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 155 units of housing, consisting of 154 restricted rental units and 1 unrestricted manager's unit. The project has and 155 one-bedroom units, serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of parking lot improvements, roofing repairs, window and door replacements, and a fresh coat of paint. Interior renovations will include flooring upgrades, door replacements, and electrical improvements. Individual apartment units will be updated with new refrigerators, cabinets, countertops, bathroom vanities, and upgraded plumbing fixtures. Lastly, common or site area renovations will consist of concrete repairs, asphalt replacement, and ADA updates. The construction is expected to begin in November 2024 and be completed in November 2025. The project will be developed by Marina Towers Investments, LP, LLC and is located in Senate District 3 and Assembly District 11.

Marina Towers is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Marina Tower (CA-2005-853). 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-24-409

**Project Name** Marina Towers  
Site Address: 601 Sacramento Street  
Vallejo, CA 94590  
County: Solano  
Census Tract: 2509.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,112,952	\$0
Recommended:	\$2,112,952	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$25,400,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Marina Towers Investments, LP  
Contact: Evan Laws  
Address: 2607 2nd Avenue, Suite 300  
Seattle, WA 98121  
Phone: (206) 832-1311  
Email: evan.laws@vitus.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Munciple Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Public Sale: Credit Enhanced  
Underwriter: Colliers Securities LLC  
Credit Enhancement Provider: U.S. Treasury Securities  
Rating: AAA



**Development Team**

General Partner(s) or Principal Owner(s): IH Marina Towers Vallejo LLC  
 Marina Towers Investments, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Integrity Housing  
 Vitus & LIHC  
 Developer: Marina Towers Investments, LP, LLC  
 Investor/Consultant: R4 Capital LLC  
 Management Agent: John Stewart Company

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 1  
 Total # of Units: 155  
 No. / % of Low Income Units: 154 100.00%  
 Average Targeted Affordability: 49.01%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Contracts (136 Units - 88%)

**Information**

Housing Type: Seniors  
 Geographic Area: Northern Region  
 State Ceiling Pool: Other Rehabilitation  
 CDLAC Project Analyst: Anthony Wey  
 CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	16	10%
50% AMI:	84	55%
60% AMI:	54	35%

**Unit Mix**

155 1-Bedroom Units  
 155 Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
16 1 Bedroom	30%	\$643
26 1 Bedroom	50%	\$1,073
58 1 Bedroom	50%	\$1,073
36 1 Bedroom	60%	\$1,287
18 1 Bedroom	60%	\$1,287
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$17,912,685
Construction Costs	\$0
Rehabilitation Costs	\$18,397,737
Construction Hard Cost Contingency	\$1,816,476
Soft Cost Contingency	\$75,000
Relocation	\$1,014,758
Architectural/Engineering	\$326,750
Const. Interest, Perm. Financing	\$3,315,161
Legal Fees	\$300,000
Reserves	\$2,024,018
Other Costs	\$489,180
Developer Fee	\$4,435,564
Commercial Costs	\$0
<b>Total</b>	<b>\$50,107,329</b>

**Residential**

Construction Cost Per Square Foot:	\$148
Per Unit Cost:	\$323,273
Estimated Hard Per Unit Cost:	\$102,800
True Cash Per Unit Cost*:	\$310,668
Bond Allocation Per Unit:	\$163,871
Bond Allocation Per Restricted Rental Unit:	\$164,935

**Construction Financing**

Source	Amount
Rockport: HUD 221D4	\$25,400,000
Rockport: HUD 221D4	\$1,700,000
Colliers Equity Bridge Loan	\$8,000,000
Tax Credit Equity	\$3,760,678

**Permanent Financing**

Source	Amount
Rockport: HUD 221D4	\$27,100,000
Net Operating Income	\$1,500,000
General Partner Loan	\$750,000
General Partner Equity	\$100
Deferred Developer Fee	\$1,953,837
Tax Credit Equity	\$18,803,392
<b>TOTAL</b>	<b>\$50,107,329</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$26,539,311
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$18,322,694
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$34,501,104
Qualified Basis (Acquisition):	\$18,322,694
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,380,044
Maximum Annual Federal Credit, Acquisition:	\$732,908
Total Maximum Annual Federal Credit:	\$2,112,952
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,435,564
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.88991

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-05-853). 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-05-853) is a qualified low-income household for the subsequent allocation (existing household eligibility is "grandfathered").

The project is a resyndication where the existing regulatory agreement requires service amenities. The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on CTCAC staff's review of the commitment in the application. The services documented in the placed in service package will be reviewed by CTCAC staff for compliance with this requirement at the time of the placed in service submission.

The project is a re-syndication occurring concurrently with a Transfer Event with distribution of Net Project Equity, which is otherwise required to set aside a Short Term Work Capitalized Replacement Reserve in the amount of \$775,000. In lieu of a Short Term Work Capitalized Reserve, the applicant is allowed to use the Short Term Work Reserve Amount to fund rehabilitation expenses. The Short Term Work Reserve Amount of \$777,442 is excluded from eligible basis.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 178.236%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 20th Street Apartments, located at 1634 20th Street in Santa Monica on a 0.46 acre site, requested and is being recommended for a reservation of \$2,879,946 in annual federal tax credits and \$11,973,801 in total state tax credits and \$36,027,000 of tax-exempt bond cap to finance the new construction of 78 units of housing, consisting of 76 restricted rental units, and 2 unrestricted manager's units. The project will have 38 one-bedroom units, 21 two-bedroom units, and 19 three-bedroom units, serving special needs tenants with rents affordable to households earning 30%-60% of area median income (AMI). The building will be a Type I-V construction. Common amenities include large community room, laundry facilities, and on-site property management and resident services. Each unit will have a refrigerator, range/oven, and dishwasher. The construction is expected to begin in February 2025 and be completed in April 2027. The project will be developed by Venice Community Housing Corporation and will be located in Senate District 24 and Assembly District 51.

The project financing includes state funding from the Housing for a Healthy California (HHC), Multifamily Housing Program (MHP), National Housing Trust Fund (NHTF), and Infill Infrastructure Grant (IIG) programs of HCD.

**Project Number** CA-24-414

**Project Name** 20th Street Apartments  
Site Address: 1634 20th Street  
Santa Monica, CA 90404  
County: Los Angeles  
Census Tract: 7018.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,879,946	\$11,973,801
Recommended:	\$2,879,946	\$11,973,801

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$36,027,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Venice Community Housing Corporation  
Contact: Rebecca Dennison  
Address: 200 Lincoln Boulevard  
Venice, CA 90291  
Phone: 310-573-8399  
Email: bdennison@vchcorp.org

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

**Development Team**

General Partner(s) or Principal Owner(s): 1634 20th Street MGP LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Venice Community Housing Corporation & Community Corporation of Santa Monica  
 Developer: Venice Community Housing Corporation  
 Investor/Consultant: California Housing Partnership  
 Management Agent: Venice Community Housing Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 78  
 No. / % of Low Income Units: 76 100.00%  
 Average Targeted Affordability: 31.67%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Special Needs  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 Set Aside: Homeless Set Aside  
 Homeless Set Aside Units: 38  
 CDLAC Project Analyst: Jake Salle  
 CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	53	70%
60% AMI:	23	30%

**Unit Mix**

38 1-Bedroom Units  
 21 2-Bedroom Units  
 19 3-Bedroom Units  


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 78 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
34 1 Bedroom	30%	\$355
4 2 Bedrooms	30%	\$468
2 1 Bedroom	30%	\$709
4 2 Bedrooms	30%	\$851
9 3 Bedrooms	30%	\$983
2 1 Bedroom	60%	\$1,419
11 2 Bedrooms	60%	\$1,702
10 3 Bedrooms	60%	\$1,967
2 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$9,427,168
Construction Costs	\$39,071,274
Construction Hard Cost Contingency	\$2,977,881
Soft Cost Contingency	\$800,000
Relocation	\$731,926
Architectural/Engineering	\$1,482,207
Const. Interest, Perm. Financing	\$8,735,532
Legal Fees	\$230,000
Reserves	\$17,594,901
Other Costs	\$3,744,966
Developer Fee	\$2,800,000
<b>Total</b>	<b>\$87,595,855</b>

**Residential**

Construction Cost Per Square Foot:	\$536
Per Unit Cost:	\$1,123,024
Estimated Hard Per Unit Cost:	\$441,496
True Cash Per Unit Cost*:	\$1,110,914
Bond Allocation Per Unit:	\$461,885
Bond Allocation Per Restricted Rental Unit:	\$474,039

**Construction Financing**

Source	Amount
CitiBank: Tax-Exempt	\$36,027,000
HCD: NHTF	\$6,287,642
HCD: HHC	\$15,300,000
HCD: IIG	\$4,291,749
Accrued Deferred Interest	\$362,278
Impact Fee Waiver	\$944,570
Deferred Costs	\$19,101,990
Tax Credit Equity	\$5,280,626

**Permanent Financing**

Source	Amount
HCD: NHTF	\$14,752,796
HCD: HHC	\$15,300,000
HCD: IIG	\$4,291,749
HCD: MHP	\$10,495,619
HCD: HHC COSR <sup>1</sup>	\$5,100,000
Impact Fee Waiver	\$944,570
Accrued Deferred Interest	\$362,278
Tax Credit Equity	\$36,348,843
<b>TOTAL</b>	<b>\$87,595,855</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Housing for a Healthy California Capitalized Operating Subsidy Reserve

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$55,383,568
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$71,998,638
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,879,946
Total State Credit:	\$11,973,801
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,800,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.91289
State 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**

Staff noted a per unit development cost of \$1,110,914. Applicant noted that the per unit cost is attributed to increased construction cost due to construction design elements required by the locality, as well as material and holding costs.

**CDLAC Analyst Comments**

None

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 80.723%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 1241 North Main, located at 1241 North Main Street in Manteca on a 3.53 acre site, requested and is being recommended for a reservation of \$3,493,293 in annual federal tax credits and \$38,323,293 of tax-exempt bond cap to finance the new construction of 100 units of housing, consisting of 99 restricted rental units, and 1 unrestricted manager's unit. The project will have 24 one-bedroom units, 50 two-bedroom units, and 26 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). There will be four 3-story concrete slab on grade foundation / stucco exterior / Type V-A residential buildings. The buildings will be designed and built to achieve LEED Gold status. Common amenities include a large community room, laundry facilities, management offices and 143 uncovered surface parking spaces, which will include 16 code compliant ADA parking spaces. Three of these ADA parking spaces will be van accessible. Additionally, the project will also include a playground, an indoor ping pong table (or similar) and a lounge area. Each unit will have blinds, carpet/vinyl flooring, and central air conditioning. Appliances will include a refrigerator, oven, dishwasher, and garbage disposal. The construction is expected to begin in November 2024 and be completed in November 2026. The project will be developed by Bold Communities and will be located in Senate District 5 and Assembly District 9.

The project financing includes state funding from the Multifamily Housing Program (MHP), the Infill Infrastructure Grant (IIG), and Joe Serna Jr. (FWHG) programs of HCD.

**Project Number** CA-24-424

**Project Name** 1241 North Main  
Site Address: 1241 North Main Street  
Manteca, CA 95336  
County: San Joaquin  
Census Tract: 51.26

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,493,293	\$0
Recommended:	\$3,493,293	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$38,323,293

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Bold Manteca LP  
Contact: Michael Miller  
Address: 4915 Gambier Street  
Los Angeles, CA 90032  
Phone: 650-464-1319  
Email: mike@boldcommunities.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 Partner(s) or Principal Owner(s): Bold Manteca LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Bold Communities  
 Developer: Bold Communities  
 Investor/Consultant: R4 Capital  
 Management Agent: AWI Management Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 4  
 Total # of Units: 100  
 No. / % of Low Income Units: 99 100.00%  
 Average Targeted Affordability: 47.58%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: Central Valley Region  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 CDLAC Project Analyst: Sarah Lester  
 CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	11	11%
40% AMI:	25	25%
50% AMI:	40	40%
60% AMI:	23	23%

**Unit Mix**

24 1-Bedroom Units  
 50 2-Bedroom Units  
 26 3-Bedroom Units  
 100 Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
3 1 Bedroom	30%	\$493
5 2 Bedrooms	30%	\$592
3 3 Bedrooms	30%	\$684
6 1 Bedroom	40%	\$658
13 2 Bedrooms	40%	\$790
6 3 Bedrooms	40%	\$912
9 1 Bedroom	50%	\$822
21 2 Bedrooms	50%	\$987
10 3 Bedrooms	50%	\$1,140
6 1 Bedroom	60%	\$987
11 2 Bedrooms	60%	\$1,185
6 3 Bedrooms	60%	\$1,368
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$3,464,300
Construction Costs	\$44,348,523
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,209,088
Soft Cost Contingency	\$376,768
Relocation	\$0
Architectural/Engineering	\$1,227,350
Const. Interest, Perm. Financing	\$9,304,173
Legal Fees	\$45,000
Reserves	\$202,838
Other Costs	\$4,624,013
Developer Fee	\$8,762,441
Commercial Costs	\$0
<b>Total</b>	<b>\$74,564,494</b>

**Residential**

Construction Cost Per Square Foot:	\$425
Per Unit Cost:	\$745,645
Estimated Hard Per Unit Cost:	\$382,236
True Cash Per Unit Cost*:	\$693,895
Bond Allocation Per Unit:	\$383,233
Bond Allocation Per Restricted Rental Unit:	\$387,104

**Construction Financing**

Source	Amount
CitiBank: Tax-Exempt	\$38,323,293
CitiBank: Taxable	\$16,303,111
HCD: IIG	\$5,469,400
Deferred Costs	\$3,147,822
Deferred Developer Fee	\$5,174,961
Tax Credit Equity	\$6,145,907

**Permanent Financing**

Source	Amount
HCD: IIG	\$5,469,400
HCD: Joe Serna Jr. FWHG	\$10,547,446
HCD: MHP	\$21,798,150
Deferred Developer Fee	\$5,174,961
Tax Credit Equity	\$31,574,537
<b>TOTAL</b>	<b>\$74,564,494</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$67,178,715
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$87,332,330
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,493,293
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,762,441
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.90386

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**

Staff noted a per unit development cost of \$745,645. The applicant noted that the per unit cost is attributed to prevailing wages, interest rates, and material costs.

When contracting with a California-experienced property management company as described in CTCAC regulation section 10325(c)(1) (A)(ii) and (B)(ii), the general partner and property co-management entity must obtain training in: project operations, on-site certification training in federal fair housing law, and manager certification in IRS Section 42 program requirements from a CTCAC-approved, nationally recognized entity. Additionally, the experienced property management agent or an equally experienced substitute, must remain for a period of at least 3 years from the placed-in-service date (or, for ownership transfers, 3 years from the sale or transfer date) to allow for at least one (1) CTCAC monitoring visit to ensure the project is in compliance with IRC Section 42. Thereafter, the experienced property manager may transfer responsibilities to the remaining general partner or property management firm following formal written approval from CTCAC.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 63.316%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 121 Mathews, located at 119 North Mathews Street in Los Angeles on a 0.2 acre site, requested and is being recommended for a reservation of \$492,134 in annual federal tax credits and \$5,945,000 of tax-exempt bond cap to finance the new construction of 40 units of housing, consisting of 39 restricted rental units, and 1 unrestricted manager's unit. The project will have 8 one-bedroom units, and 32 two-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The building will be 4 stories and Type V construction. Common amenities include a shared laundry room, secured access, bike storage room, and a landscaped perimeter. Each unit will have hard surface floors, window coverings, refrigerator/stove/cooktop, and individual HVAC. The construction is expected to begin in November 2024 and be completed in February 2026. The project will be developed by HVN Development, LLC and will be located in Senate District 26 and Assembly District 54.

**Project Number** CA-24-426

**Project Name** 121 Mathews  
Site Address: 119 North Mathews Street  
Los Angeles, CA 90033  
County: Los Angeles  
Census Tract: 2042.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$492,134	\$0
Recommended:	\$492,134	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$5,945,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: HVN Development, LLC  
Contact: Tommy Beadel  
Address: 7700 Irvine Center Drive, Suite 780  
Irvine, CA 92618  
Phone: 949-979-0833  
Email: tommy@hvndevelopment.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.



**Development Team**

General Partner(s) or Principal Owner(s): HVN 121 Mathews LLC  
Affordable Housing Alliance II, Inc.  
General Partner Type: Joint Venture  
Parent Company(ies): HVN Holdings GP, LLC  
Affordable Housing Alliance II, Inc.  
Developer: HVN Development, LLC  
Investor/Consultant: R4 Capital  
Management Agent: Aperto Property Management, Inc.

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 1  
Total # of Units: 40  
No. / % of Low Income Units: 39 100.00%  
Average Targeted Affordability: 56.43%  
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: New Construction  
Set Aside: N/A  
Homeless Set Aside Units: N/A  
CDLAC Project Analyst: Danielle Stevenson  
CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	4	10%
50% AMI:	4	10%
60% AMI:	23	59%
80% AMI*:	8	21%

\*CTCAC restricted only

**Unit Mix**

8 1-Bedroom Units  
32 2-Bedroom Units  
40 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
4 2 Bedrooms	30%	\$851
4 2 Bedrooms	50%	\$1,418
8 1 Bedroom	60%	\$1,418
15 2 Bedrooms	60%	\$1,702
8 2 Bedrooms	80%	\$1,775
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,349,750
Construction Costs	\$5,976,204
Construction Hard Cost Contingency	\$300,810
Soft Cost Contingency	\$181,054
Architectural/Engineering	\$591,908
Legal Fees	\$327,845
Reserves	\$164,584
Developer Fee	\$1,234,572
<b>Total</b>	<b>\$11,983,946</b>

**Residential**

Construction Cost Per Square Foot:	\$265
Per Unit Cost:	\$299,599
Estimated Hard Per Unit Cost:	\$129,091
True Cash Per Unit Cost*:	\$299,599
Bond Allocation Per Unit:	\$148,625
Bond Allocation Per Restricted Rental Unit:	\$191,774

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$5,945,000
Citibank: Recycled	\$2,055,000
General Partner Loan	\$2,151,713
Deferred Costs	\$164,584
Deferred Developer Fee	\$1,234,572
Tax Credit Equity	\$433,077

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$5,756,000
General Partner Loan	\$1,897,170
Tax Credit Equity	\$4,330,776
<b>TOTAL</b>	<b>\$11,983,946</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$9,465,054
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$12,304,570
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$492,134
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,234,572
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.88000

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

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 152.721%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Quince Street Seniors, located at 220 North Quince Street in Escondido on a 1.48 acre site, requested and is being recommended for a reservation of \$2,989,528 in annual federal tax credits and \$42,000,000 of tax-exempt bond cap to finance the new construction of 145 units of housing, consisting of 142 restricted rental units, and 3 unrestricted manager's units. The project will have 4 studio units, 129 one-bedroom units, and 12 two-bedroom units, serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). The building will be a new Type V-A & III-A (garage) construction project consisting of a 145-unit, four-story, 205,670 square feet senior, podium-style apartment building with dual-elevator services. Common amenities include accessible front-loading laundry appliances on all floors, landscaped outdoor courtyards, podium parking, a Community Center for gatherings/events, unit heating/air conditioning, and common area mailboxes with mobility features. All units will have fire-sprinklers with easy-access kitchens with dishwasher and cabinetry including toe-board & removable shelving, easy-operation kitchen, bathtub & lavatory controls, and shower/tub surrounds with built-in grab-bar reinforcement. The construction is expected to begin in August 2024 and be completed in August 2026. The project will be developed by San Diego Interfaith Housing Foundation and will be located in Senate District 38 and Assembly District 75.

**Project Number** CA-24-427

**Project Name** Quince Street Seniors 220  
Site Address: North Quince Street  
Escondido, CA 92025 San  
County: Diego  
Census Tract: 203.07

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,989,528	\$0
Recommended:	\$2,989,528	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$42,000,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: 220 Quince, L.P.  
Contact: Matthew Jumper  
Address: 7956 Lester Avenue  
Lemon Grove, CA 91945  
Phone: 619-668-1532  
Email: mjumper@sdihf.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Public Sale: Credit Enhanced  
Underwriter: Lument Securities, LLC  
Credit Enhancement Provider: Fannie Mae

**Development Team**

General Partner(s) or Principal Owner(s): Quince Interfaith Housing Corporation  
 General Partner Type: Nonprofit  
 Developer: San Diego Interfaith Housing Foundation  
 Investor/Consultant: Redstone Equity Partners  
 Management Agent: Interfaith Housing Assistance Corp.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 145  
 No. / % of Low Income Units: 142 100.00%  
 Average Targeted Affordability: 55.79%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Seniors  
 Geographic Area: San Diego County  
 Set Aside: N/A  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	15	11%
50% AMI:	15	11%
60% AMI:	112	79%

**Unit Mix**

4 SRO/Studio Units  
 129 1-Bedroom Units  
12 2-Bedroom Units  
 145 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
2 SRO/Studio	60%	\$1,447
1 SRO/Studio	50%	\$1,206
1 SRO/Studio	30%	\$723
104 1 Bedroom	60%	\$1,551
12 1 Bedroom	50%	\$1,292
13 1 Bedroom	30%	\$775
6 2 Bedrooms	60%	\$809
2 2 Bedrooms	50%	\$1,861
1 2 Bedrooms	30%	\$1,551
3 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,300,000
Construction Costs	\$52,249,548
Construction Hard Cost Contingency	\$3,111,881
Soft Cost Contingency	\$236,230
Architectural/Engineering	\$1,000,000
Const. Interest, Perm. Financing	\$4,854,074
Legal Fees	\$140,000
Reserves	\$526,805
Other Costs	\$5,285,840
Developer Fee	\$9,800,000
<b>Total</b>	<b>\$79,504,378</b>

**Residential**

Construction Cost Per Square Foot:	\$390
Per Unit Cost:	\$548,306
Estimated Hard Per Unit Cost:	\$319,608
True Cash Per Unit Cost*:	\$503,754
Bond Allocation Per Unit:	\$289,655
Bond Allocation Per Restricted Rental Unit:	\$295,775

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$42,000,000	Lument	\$16,878,756
General Partner Loan	\$20,900,593	General Partner Loan	\$30,455,684
Deferred Developer Fee	\$8,913,241	Deferred Developer Fee	\$6,460,000
Tax Credit Equity	\$7,690,544	Tax Credit Equity	\$25,709,938
		<b>TOTAL</b>	<b>\$79,504,378</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$75,328,659
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$75,328,659
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,989,528
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,800,000
Investor/Consultant:	Redstone Equity Partners
Federal Tax Credit Factor:	\$0.86000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	0
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	111

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 72.027%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 6018 Brynhurst, located at 6018 Brynhurst Avenue in Los Angeles on a 0.26 acre site, requested and is being recommended for a reservation of \$596,833 in annual federal tax credits and \$7,170,000 of tax-exempt bond cap to finance the new construction of 50 units of housing, consisting of 49 restricted rental units and 1 unrestricted manager's unit. The project will have 12 one-bedroom units, and 38 two-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The building will be a 4-story wood frame (Type V) structure with slab on grade foundation and stucco interior. Common amenities include a shared laundry room, bike storage, and a landscaped perimeter. An area within the manager's unit will be designed for use by the project's supportive service provider to enable private meetings with residents and delivery of the committed classes and services. Each unit will have a refrigerator, range/oven, dishwasher, and garbage disposal. The construction is expected to begin in November 2024 and be completed in February 2026. The project will be developed by HVN Development, LLC and will be located in Senate District 28 and Assembly District 61.

**Project Number** CA-24-428

**Project Name** 6018 Brynhurst  
Site Address: 6018 Brynhurst Avenue  
Los Angeles, CA 90043  
County: Los Angeles  
Census Tract: 2347.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$596,833	\$0
Recommended:	\$596,833	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$7,170,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: HVN Development, LLC  
Contact: Tommy Beadel  
Address: 7700 Irvine Center Drive, Suite 780  
Irvine, CA 92618  
Phone: 949-979-0833  
Email: tommy@hvndevelopment.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): HVN 6018 Brynhurst LLC  
 Affordable Housing Alliance II, Inc.  
 General Partner Type: Joint Venture  
 Parent Company(ies): HVN Holdings GP, LLC  
 Affordable Housing Alliance II, Inc.  
 Developer: HVN Development, LLC  
 Investor/Consultant: R4 Capital  
 Management Agent: Aperto Property Management, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 50  
 No. / % of Low Income Units: 49 100.00%  
 Average Targeted Affordability: 55.50%  
 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: New Construction  
 CDLAC Project Analyst: Anthony Wey  
 CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	5	10%
50% AMI:	5	10%
60% AMI:	29	59%
80% AMI*:	10	20%

\*CTCAC restricted only

**Unit Mix**

12 1-Bedroom Units  
38 2-Bedroom Units  
 50 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
1 1 Bedroom	30%	\$709
4 2 Bedrooms	30%	\$851
1 1 Bedroom	50%	\$1,182
4 2 Bedrooms	50%	\$1,418
10 1 Bedroom	60%	\$1,369
19 2 Bedrooms	60%	\$1,702
10 2 Bedrooms	80%	\$1,702
1 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$1,566,250
Construction Costs	\$7,295,805
Construction Hard Cost Contingency	\$366,790
Soft Cost Contingency	\$218,726
Architectural/Engineering	\$612,099
Const. Interest, Perm. Financing	\$1,885,332
Legal Fees	\$305,878
Reserves	\$198,571
Other Costs	\$461,418
Developer Fee	\$1,497,073
<b>Total</b>	<b>\$14,407,942</b>

### **Residential**

Construction Cost Per Square Foot:	\$229
Per Unit Cost:	\$288,159
Estimated Hard Per Unit Cost:	\$131,023
True Cash Per Unit Cost*:	\$288,159
Bond Allocation Per Unit:	\$143,400
Bond Allocation Per Restricted Rental Unit:	\$146,327

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$7,170,000	Citibank: Tax-Exempt	\$7,000,000
Citibank: Recycled Tax-Exempt	\$2,830,000	General Partner Loan	\$2,156,336
Deferred Costs	\$198,571	Tax Credit Equity	\$5,251,606
General Partner Loan	\$2,187,138	<b>TOTAL</b>	<b>\$14,407,942</b>
Deferred Developer Fee	\$1,497,073		
Tax Credit Equity	\$525,160		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### **Determination of Credit Amount(s)**

Requested Eligible Basis:	\$11,477,559
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$14,920,827
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$596,833
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,497,073
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.87991

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's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,300. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,846 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 153.345%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 6, 2024**

Terracina at Wildhawk, located south of Gerber Road and east of Bradshaw Road in Sacramento on a 6.92 acre site, requested and is being recommended for a reservation of \$3,131,912 in annual federal tax credits and \$34,000,000 of tax-exempt bond cap to finance the new construction of 145 units of housing, consisting of 144 restricted rental units, and 1 unrestricted manager's unit. The project will have 36 one-bedroom units, 73 two-bedroom units, and 36 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The building will be six 3-story walk-up buildings with 24 total units each, all of which are Type V-A construction. Common amenities include a 5,436+ sf two-story clubhouse/recreation center near the project entry with a multi-purpose clubroom with lounge area that includes a large-screen television, training/learning space with resident computer stations, restrooms, laundry facilities, leasing office and manager's office. Each unit will have a full kitchen, living space, indoor storage energy efficient appliances and low flow plumbing faucets and fixtures. The construction is expected to begin in January 2025 and be completed in July 2026. The project will be developed by USA Multi-Family Development, Inc. and will be located in Senate District 8 and Assembly District 10.

**Project Number** CA-24-433

**Project Name** Terracina at Wildhawk  
 Site Address: South of Gerber Road and East of Bradshaw Road  
 Sacramento, CA 95829  
 County: Sacramento  
 Census Tract: 93.30

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,131,912	\$0
Recommended:	\$3,131,912	\$0

**Tax-Exempt Bond Allocation**  
 Recommended: \$34,000,000

**CTCAC Applicant Information**  
 CTCAC Applicant / CDLAC Sponsor: Sacramento 726, L.P.  
 Contact: Darren Bobrowsky  
 Address: 3200 Douglas Blvd., Suite 200  
 Roseville, CA 95661  
 Phone: 916865-3981  
 Email: dbobrowsky@usapropfund.com

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: Housing Authority of County of Sacramento  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: Citi Community Capital

**Development Team**

General Partner(s) or Principal Owner(s): USA Sacramento 726, Inc.  
 Riverside Charitable Corporation

General Partner Type: Joint Venture

Parent Company(ies): USA Properties Fund, Inc.  
 Not Applicable

Developer: USA Multi-Family Development, Inc.

Investor/Consultant: WNC

Management Agent: USA Multifamily Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 6

Total # of Units: 145

No. / % of Low Income Units: 144 100.00%

Average Targeted Affordability: 60.00%

Federal Set-Aside Elected: 40%/60% Average Income

**Information**

Housing Type: Large Family

Geographic Area: Capital Region

State Ceiling Pool: New Construction

CDLAC Project Analyst: Brandon Medina

CTCAC Project Analyst: Dianne Myers

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	15	10%
50% AMI:	30	21%
60% AMI:	24	17%
70% AMI*:	75	52%

\*CTCAC restricted only

**Unit Mix**

36 1-Bedroom Units
73 2-Bedroom Units
36 3-Bedroom Units
<hr/> 145 Total Units



<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
4 1 Bedroom	30%	\$603
8 1 Bedroom	50%	\$1,005
5 1 Bedroom	60%	\$1,206
19 1 Bedroom	70%	\$1,407
8 2 Bedrooms	30%	\$723
16 2 Bedrooms	50%	\$1,206
19 2 Bedrooms	60%	\$1,447
29 2 Bedrooms	70%	\$1,688
3 3 Bedrooms	30%	\$836
6 3 Bedrooms	50%	\$1,393
27 3 Bedrooms	70%	\$1,951
1 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$2,277,233
Construction Costs	\$41,510,765
Construction Hard Cost Contingency	\$2,029,409
Soft Cost Contingency	\$273,423
Architectural/Engineering	\$1,014,850
Const. Interest, Perm. Financing	\$4,611,507
Legal Fees	\$85,000
Reserves	\$554,351
Other Costs	\$7,309,882
Developer Fee	\$7,855,968
<b>Total</b>	<b>\$67,522,388</b>

### **Residential**

Construction Cost Per Square Foot:	\$353
Per Unit Cost:	\$465,672
Estimated Hard Per Unit Cost:	\$244,086
True Cash Per Unit Cost*:	\$422,714
Bond Allocation Per Unit:	\$234,483
Bond Allocation Per Restricted Rental Unit:	\$492,754

### **Construction Financing**

<b>Source</b>	<b>Amount</b>
Citi: Tax-Exempt	\$34,000,000
Citi: Taxable	\$5,200,000
SHRA <sup>1</sup>	\$8,280,000
Sacramento County: Waived Fees	\$1,226,995
Deferred Costs	\$8,469,359
Tax Credit Equity	\$6,016,316

### **Permanent Financing**

<b>Source</b>	<b>Amount</b>
Citi: Tax-Exempt	\$20,975,000
SHRA <sup>1</sup>	\$9,200,000
Sacramento County: Waived Fees	\$1,226,995
Net Operating Income	\$1,036,902
Deferred Developer Fee	\$5,001,909
Solar Tax Credit Equity	\$954,800
Tax Credit Equity	\$29,126,782
<b>TOTAL</b>	<b>\$67,522,388</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Sacramento Housing Redevelopment Agency

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$60,229,092
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$78,297,820
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,131,912
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,855,968
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.93000

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

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 75.269%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Wildomar Cottages, located at 32650 Mesa Drive in Wildomar on a 8.98 acre site, requested and is being recommended for a reservation of \$3,874,336 in annual federal tax credits and \$20,132,669 in total state tax credits and \$38,620,493 of tax-exempt bond cap to finance the new construction of 130 units of housing, consisting of 128 restricted rental units, and 2 unrestricted manager's units. The project will have 36 two-bedroom units, 63 three-bedroom units, and 31 four-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The building will be type V-B construction. Common amenities include large community room, laundry facilities, parcel lockers, and computer room. Each unit will have refrigerator, range/oven, and dishwasher. The construction is expected to begin in December 2024 and be completed in December 2026. The project will be developed by Affirmed Housing Group, Inc. and will be located in Senate District 32 and Assembly District 71.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-434

**Project Name** Wildomar Cottages  
Site Address: 32650 Mesa Drive  
Wildomar, CA 92530  
County: Riverside  
Census Tract: 464.04

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,874,336	\$20,132,669
Recommended:	\$3,874,336	\$20,132,669

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$38,620,493

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor:	Compass for Affordable Housing
Applicant for State Credits:	Compass for Affordable Housing
Contact:	Robin Martinez
Address:	13520 Evening Creek Dr. N. Suite 560 San Diego, CA 92128
Phone:	(858) 679-2463
Email:	robin@compassfah.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Jones Hall, A Professional Law Corporation
Private Placement Purchaser:	Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s):	AHG Wildomar LLC CFAH Housing, LLC
General Partner Type:	Joint Venture
Parent Company(ies):	Affirmed Housing Group, Inc. Compass for Affordable Housing
Developer:	Affirmed Housing Group, Inc.
Investor/Consultant:	WNC, Inc.
Management Agent:	Solari Enterprises

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	13	
Total # of Units:	130	
No. / % of Low Income Units:	128	100.00%
Average Targeted Affordability:	53.76%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (32 Units - 25%)	

**Information**

Housing Type:	Large Family
Geographic Area:	Inland Empire Region
State Ceiling Pool:	Rural
Set Aside:	N/A
CDLAC Project Analyst:	Jake Salle
CTCAC Project Analyst:	Dianne Myers

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	32	25%
50% AMI:	40	31%
70% AMI*:	56	44%

\*CTCAC restricted only

**Unit Mix**

36	2-Bedroom Units
63	3-Bedroom Units
31	4-Bedroom Units
<u>130</u>	<u>Total Units</u>

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>	
10	2 Bedrooms	30%	\$629
26	2 Bedrooms	50%	\$1,048
11	3 Bedrooms	30%	\$727
12	3 Bedrooms	50%	\$1,211
38	3 Bedrooms	70%	\$1,696
11	4 Bedrooms	30%	\$811
2	4 Bedrooms	50%	\$1,352
18	4 Bedrooms	70%	\$1,893
2	3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,420,000
Construction Costs	\$47,300,000
Construction Hard Cost Contingency	\$2,365,000
Soft Cost Contingency	\$797,103
Architectural/Engineering	\$2,900,000
Const. Interest, Perm. Financing	\$8,295,641
Legal Fees	\$332,000
Reserves	\$593,000
Other Costs	\$4,414,429
Developer Fee	\$9,718,233
<b>Total</b>	<b>\$79,135,406</b>

**Residential**

Construction Cost Per Square Foot:	\$318
Per Unit Cost:	\$608,734
Estimated Hard Per Unit Cost:	\$321,633
True Cash Per Unit Cost*:	\$564,025
Bond Allocation Per Unit:	\$297,081
Bond Allocation Per Restricted Rental Unit:	\$536,396

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$38,620,493	Citibank	\$18,765,718
Citibank: Taxable	\$23,142,874	Deferred Developer Fee	\$5,812,156
Tax Credit Equity	\$17,372,039	Tax Credit Equity	\$54,557,532
		<b>TOTAL</b>	<b>\$79,135,406</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$74,506,457
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$96,858,394
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,874,336
Total State Credit:	\$20,132,669
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,718,233
Investor/Consultant:	WNC, Inc.
Federal Tax Credit Factor:	\$0.94050
State Tax Credit Factor:	\$0.90000

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

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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

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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC

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).

Point Criteria	New Const. Max. Points	Rehabilitati on Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 83.630%



**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Sugar Pine Village Phase 1B, located at 1860 Lake Tahoe Boulevard in South Lake Tahoe on a 2.48 acre site, requested and is being recommended for a reservation of \$1,922,198 in annual federal tax credits and \$25,588,048 of tax-exempt bond cap to finance the new construction of 60 units of housing, consisting of 59 restricted rental units and 1 unrestricted manager's unit. The project will have 12 studio units, 12 one-bedroom units, 20 two-bedroom units, and 16 three-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The buildings will consists of two 3-story walk up style buildings (30 units each) both of which are Type V (wood frame) construction with either slab-on-grade or raised perimeter foundation. Common amenities include community room, laundry room, picnic area, playground, on-site manager and surveillance cameras. Each unit will have dishwashers, refrigerator, stove/oven, carpet, exterior decks or patios, storage cabinets, solid-surface countertops, air conditioning and central heating. The construction is expected to begin in February 2025 and be completed in February 2027. The project will be developed by Related Irvine Development Company and will be located in Senate District 1 and Assembly District 5.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Infill Infrastructure Grant (IIG), Multifamily Housing Program (MHP), and Local Government Matching Grants (LGMG) programs of HCD.

**Project Number** CA-24-435

**Project Name** Sugar Pine Village Phase 1B  
Site Address: 1860 Lake Tahoe Boulevard  
South Lake Tahoe, CA 96150  
County: El Dorado  
Census Tract: 304.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,922,198	\$0
Recommended:	\$1,922,198	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$25,588,048

**CTCAC Applicant Information**  
Applicant: Sugar Pine Phase 1B Housing Partners, L.P.  
Contact: Ann Silverberg  
Address: 44 Montgomery Street Suite 1310  
San Francisco, CA 94104  
Phone: 415-677-9000  
Email: asilverberg@related.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer:	California Municipal Finance Authority
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser:	Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s):	Sugar Pine Phase 1B Development Co., LLC St Joseph Sugar Pine Village Phase 1B LLC
General Partner Type:	Joint Venture
Parent Company(ies):	The Related Companies of California, LLC Saint Joseph Community Land Trust
Developer:	Related Irvine Development Company
Investor/Consultant:	Red Stone Equity Partners
Management Agent:	The John Stewart Company

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	2	
Total # of Units:	60	
No. / % of Low Income Units:	59	100.00%
Average Targeted Affordability:	48.72%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HOME / HUD Section 8 Project-based Vouchers (16 Units - 27%)	

**Information**

Housing Type:	Non-Targeted
Geographic Area:	Capital Region
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Brandon Medina
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	18	31%
50% AMI:	12	20%
60% AMI:	29	49%

**Unit Mix**

12 SRO/Studio Units
12 1-Bedroom Units
20 2-Bedroom Units
<u>16 3-Bedroom Units</u>
60 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 SRO/Studio	30%	\$563
2 SRO/Studio	30%	\$562
4 SRO/Studio	50%	\$938
4 SRO/Studio	60%	\$1,125
4 1 Bedroom	30%	\$602
4 1 Bedroom	50%	\$1,005
4 1 Bedroom	60%	\$1,206
5 2 Bedrooms	30%	\$711
2 2 Bedrooms	50%	\$1,206
13 2 Bedrooms	60%	\$1,447
5 3 Bedrooms	30%	\$824
2 3 Bedrooms	50%	\$1,393
8 3 Bedrooms	60%	\$1,671
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Construction Costs	\$33,601,565
Construction Hard Cost Contingency	\$1,680,078
Soft Cost Contingency	\$507,564
Architectural/Engineering	\$1,760,800
Const. Interest, Perm. Financing	\$3,929,440
Legal Fees	\$148,000
Reserves	\$226,814
Other Costs	\$3,856,465
Developer Fee	\$4,800,000
<b>Total</b>	<b>\$50,510,726</b>

**Residential**

Construction Cost Per Square Foot:	\$588
Per Unit Cost:	\$841,845
Estimated Hard Per Unit Cost:	\$477,572
True Cash Per Unit Cost*:	\$809,006
Bond Allocation Per Unit:	\$426,467
Bond Allocation Per Restricted Rental Unit:	\$433,696

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$25,588,048
HOME	\$5,162,446
HCD: IIG	\$2,953,700
HCD: LGMG	\$9,999,999
City of South Lake Tahoe: HOME	\$625,000
Deferred Costs	\$158,554
Deferred Developer Fee	\$3,370,346
Tax Credit Equity	\$2,652,633

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$4,667,000
HOME	\$5,162,446
HCD: IIG	\$2,953,700
HCD: LGMG	\$9,999,999
HCD: MHP	\$7,448,016
City of South Lake Tahoe: HOME	\$625,000
Deferred Developer Fee	\$1,970,346
Tax Credit Equity	\$17,684,219
<b>TOTAL</b>	<b>\$50,510,726</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$48,059,748
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$48,059,748
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,922,198
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,800,000
Investor/Consultant:	Red Stone Equity Partners
Federal Tax Credit Factor:	\$0.92000

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**

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-24-435 must be completed as part of the placed in service package.

Development costs are roughly \$808,278 per unit. The factors affecting this cost include a condensed building season, limited supply of subcontractors, and transportation of building materials.

Projects with funding and/or subsidy(ies) from HUD are required to use Utility Allowances (UAs) approved by HUD. The applicant has proposed to use the Utility Allowances approved by the Public Housing Authority for the 16 units with Project-based Vouchers and the CUAC for all remaining units.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 72.715%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 6, 2024**

The Pardes 2, located at 8335 Tarak Drive in Elk Grove on a 3.95 acre site, requested and is being recommended for a reservation of \$3,567,918 in annual federal tax credits and \$20,584,139 in total state tax credits and \$35,462,141 of tax-exempt bond cap to finance the new construction of 140 units of housing, consisting of 139 restricted rental units, and 1 unrestricted manager's unit. The project will have 42 one-bedroom units, 48 two-bedroom units, and 50 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). This project will consist of two 3-and 4-story walk-up Type VA, wood framed over concrete slab constructed buildings. Common amenities include a multipurpose room, computer rooms, laundry rooms and bike storage. There will be 190 surface parking spaces (1.35 spaces per unit). Van, handicapped, EV, motorcycles and bicycle parking spaces will be provided to conform to government code and building code requirements. Each unit will include blinds, carpeting and vinyl flooring, coat closets, ceiling fan, and central heating and air conditioning. Appliances will include a refrigerator, range/oven, garbage disposal and dishwasher. The construction is expected to begin in November 2024 and be completed in August 2026. The project will be developed by CRP Affordable Housing and Community Development LLC and will be located in Senate District 8 and Assembly District 10.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-441

**Project Name** The Pardes 2  
 Site Address: 8335 Tarak Drive  
 Elk Grove, CA 95757  
 County: Sacramento  
 Census Tract: 96.52

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,567,918	\$20,584,139
Recommended:	\$3,567,918	\$20,584,139

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
 Recommended: \$35,462,141

**CTCAC Applicant Information**  
 CTCAC Applicant / CDLAC Sponsor: CRP The Pardes 2 LP  
 Applicant for State Credits: Bold Pardes II LLC  
 Contact: Michael Miller  
 Address: 4915 Gambier Street  
 Los Angeles, CA 90032  
 Phone: 650-464-1319  
 Email: mike@boldcommunities.org

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): CRP The Pardes 2 AGP LLC  
 Enright Pardes, LLC  
 Bold Pardes II LLC

General Partner Type: Joint Venture

Parent Company(ies): CRP The Pardes 2 AGP LLC  
 Enright Pardes, LLC  
 Bold Communities

Developer: CRP Affordable Housing and Community Development LLC

Investor/Consultant: CREA LLC

Management Agent: John Stewart Company

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 2

Total # of Units: 140

No. / % of Low Income Units: 139 100.00%

Average Targeted Affordability: 56.19%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (8 Units - 6%)

**Information**

Housing Type: Large Family

Geographic Area: Capital Region

State Ceiling Pool: BIPOC

CDLAC Project Analyst: Sarah Lester

CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	42	30%
60% AMI:	24	17%
70% AMI*:	73	53%

\*CTCAC restricted only

**Unit Mix**

42 1-Bedroom Units  
 48 2-Bedroom Units  
50 3-Bedroom Units  
 140 Total Units



<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
14 1 Bedroom	30%	\$603
8 1 Bedroom	60%	\$1,206
20 1 Bedroom	70%	\$1,407
10 2 Bedrooms	30%	\$724
4 2 Bedrooms	30%	\$724
8 2 Bedrooms	60%	\$1,447
26 2 Bedrooms	70%	\$1,688
10 3 Bedrooms	30%	\$836
4 3 Bedrooms	30%	\$836
8 3 Bedrooms	60%	\$1,672
27 3 Bedrooms	70%	\$1,950
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,957,627
Construction Costs	\$41,300,000
Construction Hard Cost Contingency	\$2,065,000
Soft Cost Contingency	\$647,840
Architectural/Engineering	\$1,727,000
Const. Interest, Perm. Financing	\$6,051,581
Legal Fees	\$250,000
Reserves	\$676,887
Other Costs	\$10,189,581
Developer Fee	\$8,949,626
<b>Total</b>	<b>\$73,815,142</b>

**Residential**

Construction Cost Per Square Foot:	\$219
Per Unit Cost:	\$527,251
Estimated Hard Per Unit Cost:	\$251,402
True Cash Per Unit Cost*:	\$481,776
Bond Allocation Per Unit:	\$253,301
Bond Allocation Per Restricted Rental Unit:	\$537,305

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Citibank: Tax-Exempt	\$35,462,141	Citibank: Tax-Exempt	\$16,197,385
Citibank: Recycled Tax-Exempt	\$6,000,000	Deferred Developer Fee	\$6,366,461
Citibank: Taxable	\$15,142,503	Tax Credit Equity	\$51,251,296
Deferred Costs	\$9,183,486	<b>TOTAL</b>	<b>\$73,815,142</b>
Tax Credit Equity	\$8,027,012		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$68,613,798
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$89,197,938
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,567,918
Total State Credit:	\$20,584,139
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,949,626
Investor/Consultant:	CREA LLC
Federal Tax Credit Factor:	\$0.89991
State Tax Credit Factor:	\$0.93000

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**

Pursuant to CTCAC Regulation Section 10326(g)(5), general partners lacking documented experience with Section 42 requirements using the minimum scoring standards in Section 10325(c)(1)(A) shall be required to complete training as prescribed by CTCAC prior to a project placing in service.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 68.315%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Witmer Manor , located at 1501 Miramar Street in Los Angeles on a 1.37 acre site, requested and is being recommended for a reservation of \$3,404,747 in annual federal tax credits and \$42,207,981 of tax-exempt bond cap to finance the acquisition & rehabilitation of 238 units of housing, consisting of 236 restricted rental units, and 2 unrestricted manager's units. The project has 142 studio units, and 96 one-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of renewing roofing, windows, upgraded heat pumps, and new LED lighting throughout. Interior renovations will include laundry upgrades, corridor flooring replacement, drywall and painting repairs. Individual apartment units will be updated with kitchen updates, vanity replacements, vinyl plank flooring, drywall repairs, new paint, bathroom upgrades and replacements, new energy efficient appliances, new blinds, as well as new LED interior lighting. Lastly, common or site area renovations will consist of ADA accessibility repairs, new mailboxes, new lighting in the parking garage, and updates to courtyard amenities. The construction is expected to begin in October 2024 and be completed in October 2025. The project will be developed by Community Preservation Partners, LLC and is located in Senate District 26 and Assembly District 54.

Witmer Manor is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Witmer Manor Preservation Project (CA-2004-860). 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.

**Project Number** CA-24-442

**Project Name** Witmer Manor  
Site Address: 1501 Miramar Street  
Los Angeles, CA 90026  
County: Los Angeles  
Census Tract: 2083.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,404,747	\$0
Recommended:	\$3,404,747	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$42,207,981

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Witmer Manor Community Partners, LP  
Contact: Seth Gellis  
Address: 17782 Sky Park Circle  
Irvine, CA 92614  
Phone: 949-278-3658  
Email: sgellis@cpp-housing.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Witmer Manor GP, LLC  
 FFAH V Witmer Manor, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): WNC Development Partners 4, LLC  
 Foundation for Affordable Housing V, Inc  
 Developer: Community Preservation Partners, LLC  
 Investor/Consultant: WNC & Associates  
 Management Agent: FPI Management Corporation

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 8  
 Total # of Units: 238  
 No. / % of Low Income Units: 236 100.00%  
 Average Targeted Affordability: 49.45%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt /  
 HUD Section 8 Project-based Vouchers (236 Units - 99%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: City of Los Angeles  
 State Ceiling Pool: Other Rehabilitation  
 CDLAC Project Analyst: Danielle Stevenson  
 CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	83	35%
60% AMI:	153	65%

**Unit Mix**

142 SRO/Studio Units  
 96 1-Bedroom Units  


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 238 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
94 SRO/Studio	60%	\$1,324
2 1 Bedroom	60%	\$1,418
57 1 Bedroom	60%	\$1,418
3 1 Bedroom	30%	\$709
47 SRO/Studio	30%	\$662
33 1 Bedroom	30%	\$709
1 1 Bedroom	Manager's Unit	\$0
1 SRO/Studio	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$48,450,000
Rehabilitation Costs	\$17,888,449
Construction Hard Cost Contingency	\$1,806,710
Soft Cost Contingency	\$150,000
Relocation	\$595,000
Architectural/Engineering	\$358,300
Const. Interest, Perm. Financing	\$7,762,664
Legal Fees	\$215,000
Reserves	\$1,357,000
Other Costs	\$542,482
Developer Fee	\$6,203,268
<b>Total</b>	<b>\$85,328,873</b>

**Residential**

Construction Cost Per Square Foot:	\$157
Per Unit Cost:	\$358,525
Estimated Hard Per Unit Cost:	\$65,273
True Cash Per Unit Cost*:	\$340,268
Bond Allocation Per Unit:	\$177,344
Bond Allocation Per Restricted Rental Unit:	\$178,847

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$42,207,981	Citibank: Tax-Exempt	\$42,207,981
Citibank: Taxable	\$31,011,475	Citibank: Taxable	\$7,042,060
Net Operating Income	\$928,217	Net Operating Income	\$928,217
Seller Credit	\$800,000	Seller Credit	\$800,000
Deferred Developer Fee	\$4,345,177	Deferred Developer Fee	\$4,345,177
General Partner Equity	\$43,669	General Partner Equity	\$43,669
Tax Credit Equity	\$5,992,354	Tax Credit Equity	\$29,961,769
		<b>TOTAL</b>	<b>\$85,328,873</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$31,367,178
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$44,349,842
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$40,777,331
Qualified Basis (Acquisition):	\$44,349,842
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,630,753
Maximum Annual Federal Credit, Acquisition:	\$1,773,994
Total Maximum Annual Federal Credit:	\$3,404,747
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,203,268
Investor/Consultant:	WNC & Associates
Federal Tax Credit Factor:	\$0.88000

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**

The applicant has requested and been granted a waiver under TCAC Regulation Section 10325(f)(7)(K) to reduce the 10% mobility feature requirement down to 5%, to provide fully compliant units with mobility features, to provide accessible parking, and to provide an accessible common use laundry room.

### **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-04-860). 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 and any deeper targeting levels in the new regulatory agreement for the duration of the new regulatory agreement.

- 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-04-860) 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 with distribution of Net Project Equity, which is otherwise required to set aside a Short Term Work Capitalized Replacement Reserve in the amount of \$1,233,125. In lieu of a Short Term Work Capitalized Reserve, the seller of the project will give a credit in the amount of \$800,000, allowing the applicant to use Short Term Work Reserve Amount to fund rehabilitation expenses and to receive eligible basis. The Short Term Work Reserve Amount of \$433,125 is excluded from eligible basis.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 164.702%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 69th Street Apartments, located at 6661 Folsom Boulevard in Sacramento on a 1.42 acre site, requested and is being recommended for a reservation of \$4,494,886 in annual federal tax credits and \$16,811,236 in total state tax credits and \$46,000,000 of tax-exempt bond cap to finance the new construction of 130 units of housing, consisting of 129 restricted rental units and 1 unrestricted manager's unit. The project will have 30 one-bedroom units, 60 two-bedroom units, and 40 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be a 5-story Type III-A construction over 1 story Type 1 garage podium. Common amenities include a community room, mail room, lobby, lounge area, leasing office, and restrooms. Each unit will have a stove/oven, refrigerator, microwave, and dishwasher. The construction is expected to begin in February 2025 and be completed in November 2026. The project will be developed by CRP Affordable Housing and Community Development LLC and will be located in Senate District 8 and Assembly District 6.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Multifamily Housing Program (MHP) and Infill Infrastructure Grant (IIG) programs of HCD.

**Project Number** CA-24-443

**Project Name** 69th Street Apartments  
Site Address: 6661 Folsom Boulevard  
Sacramento, CA 95819  
County: Sacramento  
Census Tract: 16.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$4,494,886	\$16,811,236
Recommended:	\$4,494,886	\$16,811,236

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$46,000,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Community Revitalization and Development Corporation  
Contact: David Rutledge  
Address: 1918 West Street  
Redding, CA 96001  
Phone: 530-241-6960  
Email: david@crdc-housing.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): 69th Street Apartments AGP LLC  
 Community Revitalization and Development Corporation  
 General Partner Type: Joint Venture  
 Parent Company(ies): CRP Affordable Housing and Community Development LLC  
 Community Revitalization and Development Corporation  
 Developer: CRP Affordable Housing and Community Development LLC  
 Investor/Consultant: Enterprise Housing Credit Investments  
 Management Agent: Cambridge Real Estate Services, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 130  
 No. / % of Low Income Units: 129 100.00%  
 Average Targeted Affordability: 38.92%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (60 Units - 46%)

**Information**

Housing Type: Large Family  
 Geographic Area: Capital Region  
 State Ceiling Pool: New Construction  
 Set Aside: Homeless Set-Aside  
 Homeless Set Aside Units: 60  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Jacob Paixao

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	82	64%
50% AMI:	26	20%
60% AMI:	21	16%

**Unit Mix**

30 1-Bedroom Units  
 60 2-Bedroom Units  
 40 3-Bedroom Units  
 130 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
5 1 Bedroom	60%	\$1,206
4 1 Bedroom	50%	\$1,005
6 1 Bedroom	30%	\$603
15 1 Bedroom	30%	\$603
10 2 Bedrooms	60%	\$1,447
15 2 Bedrooms	50%	\$1,206
10 2 Bedrooms	30%	\$724
25 2 Bedrooms	30%	\$724
6 3 Bedrooms	60%	\$1,672
7 3 Bedrooms	50%	\$1,393
6 3 Bedrooms	30%	\$836
20 3 Bedrooms	30%	\$836
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$5,537,836
Construction Costs	\$60,815,143
Construction Hard Cost Contingency	\$3,107,418
Soft Cost Contingency	\$576,350
Architectural/Engineering	\$1,957,345
Const. Interest, Perm. Financing	\$8,889,840
Legal Fees	\$325,000
Reserves	\$1,043,200
Other Costs	\$3,437,344
Developer Fee	\$11,274,798
<b>Total</b>	<b>\$96,964,274</b>

**Residential**

Construction Cost Per Square Foot:	\$473
Per Unit Cost:	\$745,879
Estimated Hard Per Unit Cost:	\$405,902
True Cash Per Unit Cost*:	\$678,381
Bond Allocation Per Unit:	\$353,846
Bond Allocation Per Restricted Rental Unit:	\$356,589

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax Exempt	\$46,000,000
Citibank: Taxable	\$25,825,431
Deferred Costs	\$11,917,998
Tax Credit Equity	\$13,220,845

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Conventional	\$9,005,229
HCD: MHP	\$21,500,000
HCD: IIG	\$4,800,867
Deferred Developer Fee	\$8,774,798
Tax Credit Equity	\$52,883,380
<b>TOTAL</b>	<b>\$96,964,274</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$86,440,117
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$112,372,152
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,494,886
Total State Credit:	\$16,811,236
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,274,798
Investor/Consultant:	Enterprise Housing Credit Investments
Federal Tax Credit Factor:	\$0.83992
State Tax Credit Factor:	\$0.90000

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**

Staff noted a per unit development cost of \$678,381. Applicant stated this cost is related to increased construction costs due to construction design elements, including materials and consultation costs. Applicant also noted project is subject to prevailing wages and is being built in a DDA.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 95.403%



**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

El Dorado Senior Village Apartments I, located at 6464 Koki Lane, Unit A in El Dorado on a 3.57 acre site, requested and is being recommended for a reservation of \$1,924,725 in annual federal tax credits and \$8,158,746 in total state tax credits and \$21,924,368 of tax-exempt bond cap to finance the new construction of 72 units of housing, consisting of 71 restricted rental units, and 1 unrestricted manager's unit. The project will have 57 one-bedroom units, and 15 two-bedroom units, serving seniors with rents affordable to households earning 30%-50% of area median income (AMI). There will be five 2-story buildings, all of which will be Type VA construction. Common amenities include a community building that includes a large community room with a shared kitchen, small offices for supportive services, a laundry room, barbecue picnic areas, community gardens, bocce ball court and other recreation areas throughout the community. Each unit will have a refrigerator, range/oven, dishwasher, microwave, garbage disposal, and washer/dryer hook-ups. The construction is expected to begin in February 2025 and be completed in August 2026. The project will be developed by SNO Foundation and will be located in Senate District 1 and Assembly District 5.

The project financing includes state funding from the Multifamily Housing Program (MHP) of HCD.

**Project Number** CA-24-455

**Project Name** El Dorado Senior Village Apartments I  
Site Address: 6464 Koki Lane, Unit A  
El Dorado, CA 95623  
County: El Dorado  
Census Tract: 315.04

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$1,924,725	\$8,158,746
Recommended:	\$1,924,725	\$8,158,746

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$21,924,368

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: Pacific Southwest Community Development Corporation  
Applicant for State Credits: Pacific Southwest Community Development Corporation  
Contact: Sergei Oleshko  
Address: 8863 Greenback Lane, Suite 324  
Orangevale, CA 95662  
Phone: (916) 949-8882  
Email: sergei@snofoundation.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): PSCDC El Dorado One, LLC  
 SNO Foundations  
 Kingdom El Dorado I, LLC

General Partner Type: Nonprofit

Parent Company(ies): Pacific Southwest Community Development Corp  
 Kingdom Development, Inc.

Developer: SNO Foundation

Investor/Consultant: CREA

Management Agent: Barker Management Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 4

Total # of Units: 72

No. / % of Low Income Units: 71 100.00%

Average Targeted Affordability: 40.00%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Seniors

Geographic Area: Capital Region

State Ceiling Pool: Rural

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	25	35%
40% AMI:	21	30%
50% AMI:	25	35%

**Unit Mix**

57 1-Bedroom Units

15 2-Bedroom Units

72 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
18 1 Bedroom	30%	\$603
16 1 Bedroom	40%	\$804
2 1 Bedroom	30%	\$603
21 1 Bedroom	50%	\$1,005
5 2 Bedrooms	30%	\$724
5 2 Bedrooms	40%	\$965
4 2 Bedrooms	50%	\$1,206
1 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$4,520,000
Construction Costs	\$26,299,756
Construction Hard Cost Contingency	\$1,423,883
Soft Cost Contingency	\$373,324
Architectural/Engineering	\$700,000
Const. Interest, Perm. Financing	\$5,027,260
Legal Fees	\$630,479
Reserves	\$424,246
Other Costs	\$4,044,878
Developer Fee	\$5,341,511
<b>Total</b>	<b>\$48,785,337</b>

### **Residential**

Construction Cost Per Square Foot:	\$507
Per Unit Cost:	\$677,574
Estimated Hard Per Unit Cost:	\$308,124
True Cash Per Unit Cost*:	\$612,410
Bond Allocation Per Unit:	\$304,505
Bond Allocation Per Restricted Rental Unit:	\$308,794

#### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$21,924,368
Citibank: Taxable	\$15,140,200
Waived Impact Fees	\$450,432
Deferred Cost	\$7,776,423
Tax Credit Equity	\$3,493,914

#### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$604,857
HCD: MHP	\$20,195,872
Waived Impact Fees	\$450,432
Deferred Developer Fee	\$4,241,417
Tax Credit Equity	\$23,292,759
<b>TOTAL</b>	<b>\$48,785,337</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### **Determination of Credit Amount(s)**

Requested Eligible Basis:	\$23,888,426
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$48,118,116
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,924,725
Total State Credit:	\$8,158,746
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,341,511
Investor/Consultant:	CREA
Federal Tax Credit Factor:	\$0.84991
State Tax Credit Factor:	\$0.84992

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**

Staff noted a per unit development cost of \$612,410. The applicant noted that the per unit cost is attributed to the requirement of prevailing wage payments and construction supply chain issues.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 59.368%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Sunrise at Bogart, located at 11049 Bogart Avenue in Riverside on a 0.76 acre site, requested and is being recommended for a reservation of \$778,169 in annual federal tax credits and \$8,245,486 of tax-exempt bond cap to finance the new construction of 23 units of housing, consisting of 22 restricted rental units and 1 unrestricted manager's unit. The project will have 22 one-bedroom units, and 1 two-bedroom unit, serving special needs tenants with rents affordable to households earning 30%-50% of area median income (AMI). The building will be one to two story new construction. Common amenities include large community building, laundry facilities, and on-site services specialist. Each unit will have a refrigerator, and range/oven. The construction is expected to begin in January 2025 and be completed in August 2026. The project will be developed by Many Mansions and will be located in Senate District 31 and Assembly District 58.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the No Place Like Home (NPLH) program of HCD.

**Project Number** CA-24-459

**Project Name** Sunrise at Bogart  
Site Address: 11049 Bogart Avenue  
Riverside, CA 92501  
County: Riverside  
Census Tract: 413.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$778,169	\$0
Recommended:	\$778,169	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$8,245,486

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Sunrise at Bogart, LP  
Contact: Jesse Ibarra  
Address: 9551 Pittsburgh Avenue  
Rancho Cucamonga, CA 91730  
Phone: 909-988-5274  
Email: jesse@nphsinc.org

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

**Development Team**

General Partner(s) or Principal Owner(s): NPHS Sunrise at Bogart, LLC  
 Sunrise at Bogart, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Neighborhood Partnership Housing Services, Inc.  
 Many Mansions  
 Developer: Many Mansions  
 Investor/Consultant: California Housing Partnership  
 Management Agent: Many Mansions

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 2  
 Total # of Units: 23  
 No. / % of Low Income Units: 22 100.00%  
 Average Targeted Affordability: 29.98%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HOME / HUD Community Project Funding (CPF) / HUD  
 Section 8 Project-based Vouchers (22 Units - 100%)

**Information**

Housing Type: Special Needs  
 Geographic Area: Inland Empire Region  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 Homeless Set Aside Units: 22  
 CDLAC Project Analyst: Jake Salle  
 CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	11	50%
50% AMI:	11	50%

**Unit Mix**

22 1-Bedroom Units
1 2-Bedroom Units
<b>23 Total Units</b>

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
11 1 Bedroom	30%	\$524
11 1 Bedroom	50%	\$524
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$500,649
Construction Costs	\$9,531,286
Construction Hard Cost Contingency	\$670,945
Soft Cost Contingency	\$110,978
Architectural/Engineering	\$593,651
Const. Interest, Perm. Financing	\$1,362,771
Legal Fees	\$150,000
Reserves	\$232,812
Other Costs	\$430,632
Developer Fee	\$2,494,132
<b>Total</b>	<b>\$16,077,856</b>

**Residential**

Construction Cost Per Square Foot:	\$442
Per Unit Cost:	\$699,037
Estimated Hard Per Unit Cost:	\$356,685
True Cash Per Unit Cost*:	\$686,429
Bond Allocation Per Unit:	\$358,499
Bond Allocation Per Restricted Rental Unit:	\$374,795

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Walker & Dunlop: Tax-Exempt	\$8,245,486	County of Riverside: HOME-ARP <sup>1</sup>	\$1,800,000
County of Riverside: HOME-ARP <sup>1</sup>	\$1,800,000	City of Riverside: HOME	\$1,119,437
HOME: Accrued Deferred Interest	\$71,035	HOME: Accrued Deferred Interest	\$71,035
Lessor Carryback Note	\$290,000	HCD: NPLH	\$1,148,527
Deferred Costs	\$1,191,859	Riverside County: HHAP <sup>2</sup>	\$2,018,434
General Partner Loan: HUD CPF	\$3,000,000	Lessor Carryback Note	\$290,000
General Partner Equity	\$100	General Partner Loan: HUD CPF	\$3,000,000
Tax Credit Equity	\$1,479,376	General Partner Equity	\$100
		Tax Credit Equity	\$6,630,323
		<b>TOTAL</b>	<b>\$16,077,856</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>HOME American Rescue Plan

<sup>2</sup>Riverside County Homeless Housing, Assistance and Prevention

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$14,964,794
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$19,454,232
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$778,169
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,494,132
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.85204

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**

Staff noted a per unit development cost of \$686,429. The applicant noted that the per unit cost is attributed to escalating costs of construction materials, as well as increases in labor costs, including prevailing wages.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 84.696%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Chula Vista Seniors, located at 178 3rd Avenue in Chula Vista on a 0.91 acre site, requested and is being recommended for a reservation of \$770,213 in annual federal tax credits and \$12,300,000 of tax-exempt bond cap to finance the new construction of 58 units of housing, consisting of 57 restricted rental units, and 1 unrestricted manager's unit. The project will have 20 studio units, 37 one-bedroom units, and 1 two-bedroom unit, serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). This new construction project will consist of a Type V-A constructed slab on grade 3-story, 37,780 square feet building. Common amenities will include front-loading laundry appliances, a community room & kitchen with common area "Marmoleum" plank linoleum for gatherings/events, common area mailboxes with mobility features, raised community lounge outdoor sun deck, and a fenced recreational walking path/garden area on the exterior grounds. The proposed project will include 36 uncovered parking stalls, of which 22 are standard, 12 are compact and 2 accessible (1 accessible van). Each unit will have all fire-sprinklered with accessible kitchen routes, minimum 30" countertop lengths, and cabinetry including toe-board & removable shelving, with easy-operation kitchen, bathtub & lavatory controls and 12 mil vinyl plank over underlayment throughout, and shower/tub surrounds with built-in grab-bar reinforcement. The construction is expected to begin in August 2023 and be completed in November 2024. The project will be developed by San Diego Interfaith Housing Foundation and will be located in Senate District 80 and Assembly District 40.

**Project Number** CA-24-460

**Project Name** Chula Vista Seniors  
Site Address: 178 3rd Avenue  
Chula Vista, CA 91910  
County: San Diego  
Census Tract: 124.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$770,213	\$0
Recommended:	\$770,213	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$12,300,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: C.V. Senior Housing Partners, L.P.  
Contact: Matthew Jumper  
Address: 7956 Lester Avenue  
Lemon Grove, CA 91945  
Phone: 619-668-1532  
Email: mjumper@sdihf.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Public Sale: Rated  
 Underwriter: Lument Real Estate Capital, LLC  
 Rating: AAA

**Development Team**

General Partner(s) or Principal Owner(s): C.V. Interfaith Housing Corporation  
 General Partner Type: Nonprofit  
 Parent Company(ies): San Diego Interfaith Housing Foundation  
 Developer: San Diego Interfaith Housing Foundation  
 Investor/Consultant: Redstone Equity Partners  
 Management Agent: Interfaith Housing Assistance Corp.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 58  
 No. / % of Low Income Units: 57 100.00%  
 Average Targeted Affordability: 55.80%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Seniors  
 Geographic Area: San Diego County  
 State Ceiling Pool: New Construction  
 CDLAC Project Analyst: Sarah Lester  
 CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	6	11%
50% AMI:	6	11%
60% AMI:	45	79%

**Unit Mix**

20 SRO/Studio Units  
 37 1-Bedroom Units  
 1 2-Bedroom Units  


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 58 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
4 SRO/Studio	30%	\$723
4 SRO/Studio	50%	\$1,206
12 SRO/Studio	60%	\$1,447
2 1 Bedroom	30%	\$775
2 1 Bedroom	50%	\$1,292
33 1 Bedroom	60%	\$1,551
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,350,000
Construction Costs	\$12,415,653
Construction Hard Cost Contingency	\$937,979
Soft Cost Contingency	\$148,009
Architectural/Engineering	\$858,500
Const. Interest, Perm. Financing	\$1,653,403
Legal Fees	\$140,000
Reserves	\$200,364
Other Costs	\$1,940,467
Developer Fee	\$2,500,000
<b>Total</b>	<b>\$23,144,375</b>

**Residential**

Construction Cost Per Square Foot:	\$329
Per Unit Cost:	\$399,041
Estimated Hard Per Unit Cost:	\$183,902
True Cash Per Unit Cost*:	\$399,041
Bond Allocation Per Unit:	\$212,069
Bond Allocation Per Restricted Rental Unit:	\$215,789

**Construction Financing**

<u>Source</u>	<u>Amount</u>
SDIHF <sup>1</sup> : Tax-Exempt	\$12,300,000
CMFA: Recycled Tax-Exempt	\$2,000,000
General Partner Loan	\$7,114,738
Deferred Developer Fee	\$1,729,637

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Lument: Tax-Exempt	\$5,269,490
General Partner Loan	\$10,913,053
General Partner Equity	\$338,000
Tax Credit Equity	\$6,623,832
<b>TOTAL</b>	<b>\$23,144,375</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>San Diego Interfaith Housing Foundation

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$20,095,964
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$20,095,964
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$770,213
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,500,000
Investor/Consultant:	Redstone Equity Partners
Federal Tax Credit Factor:	\$0.86000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	0
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	111

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 97.809%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

College Community Courts, located at 4300 Telegraph Road in Ventura on a 2.16 acre site, requested and is being recommended for a reservation of \$2,097,297 in annual federal tax credits and \$1,000,000 in total state tax credits and \$23,752,406 of tax-exempt bond cap to finance the new construction of 57 units of housing, consisting of 56 restricted rental units, and 1 unrestricted manager's unit. The project will have 14 one-bedroom units, 28 two-bedroom units, and 15 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be two to three stories and type VB construction. Common amenities include laundry room, playground, courtyard with barbeque, community building for management, resident services, and activities. Each unit will have central air/cooling, refrigerator, range/oven, dishwasher, blinds, ceiling fan, and storage closet. The construction is expected to begin in February 2025 and be completed in February 2027. The project will be developed by People's Self-Help Housing and will be located in Senate District 19 and Assembly District 38.

The project financing includes state funding from the Infill Infrastructure Grant (IIG) and Joe Serna, Jr. Farmworker Housing Grant (FHWG) programs of HCD.

**Project Number** CA-24-467

**Project Name** College Community Courts  
Site Address: 4300 Telegraph Road  
Ventura, CA 93003  
County: Ventura  
Census Tract: 27.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,097,297	\$1,000,000
Recommended:	\$2,097,297	\$1,000,000

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$23,752,406

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: People's Self-Help Housing Corporation  
Applicant for State Credits: People's Self-Help Housing Corporation  
Contact: Kenneth Trigueiro  
Address: 1060 Kendall Road  
San Luis Obispo, CA 93401  
Phone: 805-548-2343  
Email: Kennetht@pshhc.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: Citi Community Capital



**Development Team**

General Partner(s) or Principal Owner(s):	College Community Courts LLC
General Partner Type:	Nonprofit
Parent Company(ies):	People's Self-Help Housing Corporation
Developer:	People's Self-Help Housing
Investor/Consultant:	California Housing Partnership
Management Agent:	The Duncan Group

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	7	
Total # of Units:	57	
No. / % of Low Income Units:	56	100.00%
Average Targeted Affordability:	46.07%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / CDBG	

**Information**

Housing Type:	Large Family
Geographic Area:	Central Coast Region
State Ceiling Pool:	New Construction
Set Aside:	Extremely Low/Very Low Income Set Aside
CDLAC Project Analyst:	Christine Shephard
CTCAC Project Analyst:	Brett Andersen

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	21	38%
50% AMI:	15	27%
60% AMI:	20	36%

**Unit Mix**

14 1-Bedroom Units
28 2-Bedroom Units
15 3-Bedroom Units
<hr/> 57 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
14 1 Bedroom	30%	\$747
5 2 Bedrooms	30%	\$897
2 3 Bedrooms	30%	\$1,036
10 2 Bedrooms	50%	\$1,495
5 3 Bedrooms	50%	\$1,726
13 2 Bedrooms	60%	\$1,794
7 3 Bedrooms	60%	\$2,072
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$640,426
Construction Costs	\$26,144,574
Construction Hard Cost Contingency	\$1,261,905
Soft Cost Contingency	\$281,340
Architectural/Engineering	\$1,465,000
Const. Interest, Perm. Financing	\$3,692,558
Legal Fees	\$308,000
Reserves	\$199,383
Other Costs	\$3,021,792
Developer Fee	\$5,260,778
<b>Total</b>	<b>\$42,275,756</b>

**Residential**

Construction Cost Per Square Foot:	\$462
Per Unit Cost:	\$741,680
Estimated Hard Per Unit Cost:	\$386,158
True Cash Per Unit Cost*:	\$693,245
Bond Allocation Per Unit:	\$416,709
Bond Allocation Per Restricted Rental Unit:	\$424,150

**Construction Financing**

Source	Amount
Citibank	\$23,752,406
HCD: Joe Serna Farmworker	\$2,346,432
HCD: IIG	\$3,115,600
County of Ventura	\$2,056,080
City of Ventura <sup>1</sup>	\$576,622
City of Ventura CDBG <sup>2</sup>	\$503,869
Deferred Costs	\$1,152,753
Deferred Developer Fee	\$2,760,778
Tax Credit Equity	\$6,011,216

**Permanent Financing**

Source	Amount
Citibank	\$3,408,000
HCD: Joe Serna Farmworker	\$9,051,573
HCD: IIG	\$3,115,600
County of Ventura	\$2,056,080
City of Ventura <sup>1</sup>	\$576,622
City of Ventura CDBG <sup>2</sup>	\$503,869
BUILD Incentive <sup>3</sup>	\$322,516
Deferred Developer Fee	\$2,760,778
Tax Credit Equity	\$20,480,718
<b>TOTAL</b>	<b>\$42,275,756</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>City of Ventura Deferred Impact Fee Loan

<sup>2</sup>City of Ventura: Community Development Block Grant

<sup>3</sup>California Energy Commission: Low-Emissions Development (BUILD) Program Grant

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$40,332,629
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$52,432,417
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,097,297
Total State Credit:	\$1,000,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,260,778
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.93600
State Tax Credit Factor:	\$0.85000

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**

Staff noted a per unit development cost of \$693,245. The applicant noted that the per unit cost is attributed to prevailing wages and the local market suffering high inflation.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 105.310%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Peak Plaza Apartments, located at 316 East Washington Boulevard in Los Angeles on a 0.64 acre site, requested and is being recommended for a reservation of \$3,362,455 in annual federal tax credits and \$39,799,383 of tax-exempt bond cap to finance the new construction of 104 units of housing, consisting of 102 restricted rental units, and 2 unrestricted manager's units. The project will have 8 studio units, 41 one-bedroom units, 28 two-bedroom units, and 27 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be 7 stories and Type I-A and Type III-A construction. Common amenities include bicycle parking, auto parking, community room, courtyard, tot-lot, patios, dog run, laundry rooms, property management and service coordinator offices. Each unit will have a refrigerator, range/oven, dishwasher, microwave, and sink disposal. The construction is expected to begin in February 2025 and be completed in February 2027. The project will be developed by Hollywood Community Housing Corporation and will be located in Senate District 28 and Assembly District 57.

The project financing includes state funding from the Affordable Housing and Sustainable Communities (AHSC) program of HCD.

**Project Number** CA-24-469

**Project Name** Peak Plaza Apartments  
Site Address: 316 East Washington Boulevard  
Los Angeles, CA 90015  
County: Los Angeles  
Census Tract: 2240.20

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,362,455	\$0
Recommended:	\$3,362,455	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$39,799,383

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Hollywood Community Housing Corporation  
Contact: Sarah Letts  
Address: 5020 Santa Monica Boulevard  
Los Angeles, CA 90029  
Phone: 323.454.6210  
Email: SLetts@HollywoodHousing.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: City of Los Angeles  
Bond Counsel: Kutak Rock LLP  
Private Placement Purchaser: Citi Community Capital

**Development Team**

General Partner(s) or Principal Owner(s):	HCHC Peak Plaza GP, LLC
General Partner Type:	Nonprofit
Parent Company(ies):	Hollywood Community Housing Corporation
Developer:	Hollywood Community Housing Corporation
Investor/Consultant:	California Housing Partnership
Management Agent:	Barker Management, Inc

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	104	
No. / % of Low Income Units:	102	100.00%
Average Targeted Affordability:	49.91%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt	

**Information**

Housing Type:	Large Family
Geographic Area:	City of Los Angeles
Set Aside:	Extremely Low/Very Low Income Set Aside
Homeless Set Aside Units:	N/A
CDLAC Project Analyst:	Christine Shephard
CTCAC Project Analyst:	Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	27	26%
50% AMI:	22	22%
60% AMI:	53	52%

**Unit Mix**

8 SRO/Studio Units
41 1-Bedroom Units
28 2-Bedroom Units
27 3-Bedroom Units
<hr/>
104 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 SRO/Studio	30%	\$662
10 1 Bedroom	30%	\$709
7 2 Bedrooms	30%	\$851
7 3 Bedrooms	30%	\$983
1 SRO/Studio	50%	\$1,103
4 1 Bedroom	50%	\$1,182
3 2 Bedrooms	50%	\$1,418
14 3 Bedrooms	50%	\$1,639
4 SRO/Studio	60%	\$1,324
27 1 Bedroom	60%	\$1,419
17 2 Bedrooms	60%	\$1,702
5 3 Bedrooms	60%	\$1,967
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$7,944,903
Construction Costs	\$48,034,410
Construction Hard Cost Contingency	\$2,426,253
Soft Cost Contingency	\$383,659
Relocation	\$550,000
Architectural/Engineering	\$1,658,180
Const. Interest, Perm. Financing	\$8,449,460
Legal Fees	\$195,000
Reserves	\$348,004
Other Costs	\$2,122,054
Developer Fee	\$4,500,000
<b>Total</b>	<b>\$76,611,923</b>

**Residential**

Construction Cost Per Square Foot:	\$639
Per Unit Cost:	\$736,653
Estimated Hard Per Unit Cost:	\$412,755
True Cash Per Unit Cost*:	\$736,653

**Construction Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$39,799,383
CitiBank: Taxable	\$15,705,069
LAHD: ULA AP <sup>1</sup>	\$10,080,000
LAHD: (HOME) AHMP <sup>2</sup>	\$4,000,000
Deferred Costs	\$1,925,788
General Partner Contribution	\$2,000,000
General Partner Equity	\$100
Tax Credit Equity	\$3,101,583

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$8,076,000
LAHD: ULA AP <sup>1</sup>	\$10,080,000
LAHD: (HOME) AHMP <sup>2</sup>	\$4,000,000
HCD: AHSC	\$20,000,000
General Partner Contribution	\$2,000,000
General Partner Equity	\$100
Tax Credit Equity	\$32,455,823
<b>TOTAL</b>	<b>\$76,611,923</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup> Los Angeles Housing Department: United to Fund Los Angeles Accelerator Program

<sup>2</sup> Los Angeles Housing Department: (HOME) Affordable Housing Managed Pipeline

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$64,662,612
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$84,061,396
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,362,455
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,500,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.96524
State Tax Credit Factor:	\$0.89000

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**

There is commercial space that is included as part of the structures cost and taken into eligible basis. Pursuant to the Eligible Basis Certification provided by a third-party tax attorney, this space is a community service facility that meets the requirements of IRC § 42(d)(4)(C) and the cost is includible in eligible basis. The community space will be designed to serve primarily individuals whose income is 60% or less of area median income.

**CDLAC Analyst Comments**

None

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 108.966%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Seniors on Broadway Apartments, located at 845 Broadway in Chula Vista on a 0.91 acre site, requested and is being recommended for a reservation of \$382,829 in annual federal tax credits and \$724,131 in total state tax credits and \$5,559,912 of tax-exempt bond cap to finance the acquisition & rehabilitation of 42 units of housing, consisting of 41 restricted rental units, and 1 unrestricted manager's unit. The project has 41 one-bedroom units, and 1 two-bedroom unit, serving seniors with rents affordable to households earning 30%-50% of area median income (AMI). The renovations will include building exterior and interior upgrades. Building exterior renovations will consist replacement of the existing windows with vinyl-framed insulated window units. Installation of humidistat-controlled exhaust fans in the bathrooms, and replacement of flooring with durable, hard-surfaced flooring such as vinyl plank throughout. Individual apartment units will be updated with updated kitchens, bathrooms, cabinetry, plumbing fixtures, electrical switches and receptacles, and thermostat controls. Lastly, common or site area renovations will consist of sealing and striping of the drive aisles and parking stalls, repairment/replacement of landscape and hardscape as needed to reduce water consumption and prevent erosion and repairment/replacement of elevator components. The construction is expected to begin in February 2025 and be completed in April 2026. The project will be developed by Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc. and is located in Senate District 18 and Assembly District 80.

Seniors on Broadway Apartments is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Seniors on Broadway Apartments (CA-2004-112). See Resyndication and Resyndication Transfer Event below for additional information.

**Project Number** CA-24-470

**Project Name** Seniors on Broadway Apartments  
Site Address: 845 Broadway  
Chula Vista, CA 91911  
County: San Diego  
Census Tract: 130.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$382,829	\$724,131
Recommended:	\$382,829	\$724,131

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$5,559,912

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc.  
Contact: Arnulfo Manriquez  
Address: 1355 Third Ave  
Chula Vista, CA 91911  
Phone: 619.426.3595  
Email: REDFunding@maacproject.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
 Bond Counsel: Anzel Galvan LLP  
 Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc.  
 General Partner Type: Nonprofit  
 Parent Company(ies): Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc.  
 Developer: Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc.  
 Investor/Consultant: National Equity Fund Inc  
 Management Agent: Hyder Property Management Professionals

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 1  
 Total # of Units: 42  
 No. / % of Low Income Units: 41 100.00%  
 Average Targeted Affordability: 45.61%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HOME

**Information**

Housing Type: Seniors  
 Geographic Area: San Diego County  
 State Ceiling Pool: Other Rehabilitation  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	5	12%
45% AMI:	16	39%
50% AMI:	20	49%

**Unit Mix**

41 1-Bedroom Units  
 1 2-Bedroom Units  


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 42 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
5 1 Bedroom	30%	\$775
16 1 Bedroom	45%	\$1,163
20 1 Bedroom	50%	\$1,292
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$4,730,000
Rehabilitation Costs	\$3,057,101
Construction Hard Cost Contingency	\$148,455
Soft Cost Contingency	\$88,369
Relocation	\$420,000
Architectural/Engineering	\$415,000
Const. Interest, Perm. Financing	\$670,168
Legal Fees	\$177,000
Reserves	\$124,438
Other Costs	\$440,413
Developer Fee	\$917,052
<b>Total</b>	<b>\$11,187,996</b>

**Residential**

Construction Cost Per Square Foot:	\$76
Per Unit Cost:	\$266,381
Estimated Hard Per Unit Cost:	\$62,095
True Cash Per Unit Cost*:	\$233,917
Bond Allocation Per Unit:	\$132,379
Bond Allocation Per Restricted Rental Unit:	\$135,608

**Construction Financing**

Source	Amount
Citi: Tax-Exempt	\$5,559,912
City of Chula Vista: HOME	\$2,760,748
Seller Carryback	\$354,376
Deferred Costs	\$785,229
Deferred Interest	\$16,095
Deferred Developer Fee	\$248,161
Tax Credit Equity	\$1,463,475

**Permanent Financing**

Source	Amount
Citi: Tax-Exempt	\$3,020,000
City of Chula Vista: HOME	\$2,760,748
Seller Carryback	\$1,115,305
Deferred Interest	\$16,095
Deferred Developer Fee	\$248,161
Tax Credit Equity	\$4,027,687
<b>TOTAL</b>	<b>\$11,187,996</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$5,570,235
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$4,000,500
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$5,570,235
Qualified Basis (Acquisition):	\$4,000,500
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$222,809
Maximum Annual Federal Credit, Acquisition:	\$160,020
Total Maximum Annual Federal Credit:	\$382,829
Total State Credit:	\$724,131
Approved Developer Fee (in Project Cost & Eligible Basis):	\$917,052
Investor/Consultant:	National Equity Fund Inc
Federal Tax Credit Factor:	\$0.88563
State Tax Credit Factor:	\$0.88000

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-04-112). 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-04-112) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication where the existing regulatory agreement requires service amenities. The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on CTCAC staff's review of the commitment in the application. The services documented in the placed in service package will be reviewed by CTCAC staff for compliance with this requirement at the time of the placed in service submission.

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 138.170%



**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Midway Village Phase 2, located at 47 Midway Drive in Daly City on a 1.79 acre site, requested and is being recommended for a reservation of \$6,418,635 in annual federal tax credits and \$65,352,000 of tax-exempt bond cap to finance the new construction of 113 units of housing, consisting of 111 restricted rental units, and 2 unrestricted manager's units. The project will have 24 studio units, 24 one-bedroom units, 31 two-bedroom units, 30 three-bedroom units, and 4 four-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be 4 stories and Type V wood frame construction. Common amenities include a lobby, two community rooms, property management offices, resident services offices, a bike storage room, and a landscaped courtyard. Each unit will have a refrigerator, range/oven, garbage disposal, and washer and dryer appliances. The construction is expected to begin in February 2025 and be completed in February 2027. The project will be developed by MidPen Housing Corporation and will be located in Senate District 11 and Assembly District 19.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-471

**Project Name** Midway Village Phase 2  
Site Address: 47 Midway Drive  
Daly City, CA 94014  
County: San Mateo  
Census Tract: 6002.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$6,418,635	\$0
Recommended:	\$6,418,635	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$65,352,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: MP Midway Associates 2, L.P.  
Contact: Abigail Goldware Potluri  
Address: 303 Vintage Park Dr Ste 250  
Foster City, CA 94404  
Phone: 650.356.2900  
Email: agoldware@midpen-housing.org

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

**Development Team**

General Partner(s) or Principal Owner(s): MP Midway 2, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Mid-Peninsula Half Moon Bay, Inc.  
 Developer: MidPen Housing Corporation  
 Investor/Consultant: California Housing Partnership  
 Management Agent: MidPen Property Management Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 113  
 No. / % of Low Income Units: 111 100.00%  
 Average Targeted Affordability: 40.89%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (76 Units - 68%)

**Information**

Housing Type: Large Family  
 Geographic Area: South and West Bay Region  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 Homeless Set Aside Units: 29  
 CDLAC Project Analyst: Anthony Wey  
 CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	41	37%
50% AMI:	50	45%
60% AMI:	20	18%

**Unit Mix**

24 SRO/Studio Units  
 24 1-Bedroom Units  
 31 2-Bedroom Units  
 30 3-Bedroom Units  
 4 4-Bedroom Units  


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 113 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
18 SRO/Studio	30%	\$487
2 SRO/Studio	30%	\$975
4 SRO/Studio	50%	\$1,626
7 1 Bedroom	30%	\$522
1 1 Bedroom	30%	\$1,045
10 1 Bedroom	50%	\$1,742
6 1 Bedroom	60%	\$2,003
1 2 Bedrooms	30%	\$1,254
2 2 Bedrooms	30%	\$1,254
25 2 Bedrooms	50%	\$2,091
1 3 Bedrooms	30%	\$1,449
9 3 Bedrooms	30%	\$1,449
7 3 Bedrooms	50%	\$2,415
13 3 Bedrooms	60%	\$2,898
4 4 Bedrooms	50%	\$2,695
2 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,087,161
Construction Costs	\$78,495,390
Construction Hard Cost Contingency	\$4,166,713
Architectural/Engineering	\$3,579,019
Const. Interest, Perm. Financing	\$11,431,687
Legal Fees	\$91,998
Reserves	\$695,692
Other Costs	\$4,645,319
Developer Fee	\$14,517,646
Commercial Costs	\$11,848,023
<b>Total</b>	<b>\$130,994,476</b>

## Residential

Construction Cost Per Square Foot:	\$655
Per Unit Cost:	\$1,044,113
Estimated Hard Per Unit Cost:	\$649,542
True Cash Per Unit Cost*:	\$1,017,810
Bond Allocation Per Unit:	\$578,336
Bond Allocation Per Restricted Rental Unit:	\$588,757

### Construction Financing

Source	Amount
Wells Fargo: Tax-Exempt	\$65,352,000
Wells Fargo: Taxable	\$11,916,651
San Mateo County: AHF <sup>1</sup>	\$14,762,723
FHLB: AHP <sup>2</sup>	\$1,000,000
HACSM <sup>3</sup>	\$11,279,806
Daly City: PLHA <sup>4</sup>	\$486,230
PFS <sup>5</sup> Contribution	\$1,150,000
Accrued Interest	\$657,996
Deferred Costs	\$2,913,908
Deferred Developer Fee	\$3,300,000
General Partner Contribution	\$8,717,646

### Permanent Financing

Source	Amount
CCRC <sup>6</sup> : Tax-Exempt	\$23,582,000
San Mateo County: AHF <sup>1</sup>	\$14,762,723
FHLB: AHP <sup>2</sup>	\$1,000,000
HACSM <sup>3</sup>	\$11,279,806
HACSM <sup>3</sup> : Gap Loan	\$2,720,194
Daly City: PLHA <sup>4</sup>	\$486,230
PFS <sup>5</sup> Contribution	\$1,150,000
Accrued Interest	\$657,996
Deferred Developer Fee	\$3,300,000
General Partner Contribution	\$8,717,646
Tax Credit Equity	\$63,337,881
<b>TOTAL</b>	<b>\$130,994,476</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Affordable Housing Fund (Housing for a Healthy California)

<sup>2</sup>Federal Home Loan Bank: Affordable Housing Program

<sup>3</sup>Housing Authority of the County of San Mateo

<sup>4</sup>Permanent Local Housing Allocation

<sup>5</sup>Peninsula Family Service: Commercial Space Contribution

<sup>6</sup>California Community Reinvestment Corporation

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$123,435,286
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$160,465,872
Applicable Rate:	4.00%
Approved Developer Fee (in Project Cost & Eligible Basis):	\$14,517,646
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.98678

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

There is commercial space that is included as part of the structures cost and taken into eligible basis. Pursuant to the Eligible Basis Certification provided by a third-party tax attorney, this space is a community service facility that meets the requirements of IRC § 42(d)(4)(C) and the cost is includible in eligible basis. The community space will be a child care center.

This project is Phase 2 of Midway Village Phase 1 (CA-20-668). The parking for Phases 1 and 2 is provided in a design-build, four-level, gated parking garage constructed in Phase 1. The structure contains 371 parking spaces, 185 of which are allocated to Phase 2. The cost of the garage is split between the two phases – Phase 1 does not include in its depreciable basis the Phase 2 share of costs – and there is an easement and insurance agreement between the two phases that includes these details. Other shared components will be a two-classroom after-school program space constructed in Phase 1, and an attached outdoor accessible play area for children aged 2 to 17, also constructed in Phase 1. Resident courtyards and community rooms in both Phase 1 and Phase 2 will also be shared. There will be a joint use agreement in place before the placed-in-service application.

### **CDLAC Analyst Comments**

None

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 108.861%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Citrus Flats, located at 18004 East Telegraph Road in Santa Paula on a 5.45 acre site, requested and is being recommended for a reservation of \$3,666,667 in annual federal tax credits and \$39,050,000 of tax-exempt bond cap to finance the new construction of 166 units of housing, consisting of 164 restricted rental units and 2 unrestricted manager's units. The project will have 60 one-bedroom units, 32 two-bedroom units, 56 three-bedroom units, and 18 four-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The buildings will be eight 3-story walk buildings. Building A will have 22 units, Buildings C, E, and F, G, and H will have 24 units each, and Buildings B and D will have 12 units each. The building type will adhere to Type V-A construction standards with wood frame and an exterior finish system complying with the California building code chapters 14 and 25 and will not have any elevator access. Common amenities include a clubhouse with community center, dog park, outdoor playground area for children, outdoor fitness area for teenagers, 223 parking spaces as well as various social services programs offered by an experienced social service provider. Each unit will have a balcony, blinds, carpeting, ceiling fan, central/AC, coat closet, dishwasher, disposal, microwave, oven, refrigerator, LVP flooring, walk-in-closet and washer/dryer. The construction is expected to begin in November 2024 and be completed in November 2026. The project will be developed by Telegraph Partners GP, LLC and will be located in Senate District 19 and Assembly District 38.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-472

**Project Name** Citrus Flats  
Site Address: 18004 East Telegraph Road  
Santa Paula, CA 93060  
County: Ventura  
Census Tract: 4.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,666,667	\$0
Recommended:	\$3,666,667	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$39,050,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: FLT Telegraph Partners, L.P.  
Contact: Ron Wu  
Address: 2082 Michelson Drive, 4th Floor  
Irvine, CA 92612  
Phone: (415) 757-8639  
Email: rwu@rtacq.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Public Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

## Development Team

General Partner(s) or Principal Owner(s): AHA Santa Paula MGP, LLC  
Telegraph Partners GP, LLC

General Partner Type: Joint Venture

Parent Company(ies): Affordable Housing Access, Inc.  
FLT Equity, LLC

Developer: Telegraph Partners GP, LLC

Investor/Consultant: R4 Capital

Management Agent: VPM Management, Inc.

Construction Type: New Construction

Total # Residential Buildings: 8

Total # of Units: 166

No. / % of Low Income Units: 164 100.00%

Average Targeted Affordability: 59.03%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (8 Units - 5%)

## Information

Housing Type: Large Family

Geographic Area: Central Coast Region

State Ceiling Pool: New Construction

CDLAC Project Analyst: Brandon Medina

CTCAC Project Analyst: Nicholas White

## 55-Year Use / Affordability

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	18	11%
40% AMI:	18	11%
50% AMI:	18	11%
60% AMI:	18	11%
70% AMI*:	92	56%

\*CTCAC restricted only

## Unit Mix

60 1-Bedroom Units

32 2-Bedroom Units

56 3-Bedroom Units

18 4-Bedroom Units

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166 Total Units



<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
6 1 Bedroom	30%	\$747
6 1 Bedroom	40%	\$996
6 1 Bedroom	50%	\$1,245
6 1 Bedroom	60%	\$1,494
36 1 Bedroom	70%	\$1,743
4 2 Bedrooms	30%	\$897
4 2 Bedrooms	40%	\$1,196
4 2 Bedrooms	50%	\$1,495
4 2 Bedrooms	60%	\$1,794
15 2 Bedrooms	70%	\$2,093
6 3 Bedrooms	30%	\$1,036
6 3 Bedrooms	40%	\$1,381
6 3 Bedrooms	50%	\$1,726
6 3 Bedrooms	60%	\$2,072
31 3 Bedrooms	70%	\$2,417
2 4 Bedrooms	30%	\$1,155
2 4 Bedrooms	40%	\$1,541
2 4 Bedrooms	50%	\$1,926
2 4 Bedrooms	60%	\$2,311
10 4 Bedrooms	70%	\$2,696
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$3,600,000
Construction Costs	\$46,181,183
Construction Hard Cost Contingency	\$2,263,784
Soft Cost Contingency	\$100,000
Architectural/Engineering	\$1,100,000
Const. Interest, Perm. Financing	\$4,680,636
Legal Fees	\$202,500
Reserves	\$2,668,231
Other Costs	\$9,940,209
Developer Fee	\$9,221,718
<b>Total</b>	<b>\$79,958,261</b>

## Residential

Construction Cost Per Square Foot:	\$286
Per Unit Cost:	\$481,676
Estimated Hard Per Unit Cost:	\$239,250
True Cash Per Unit Cost*:	\$426,855
Bond Allocation Per Unit:	\$235,241
Bond Allocation Per Restricted Rental Unit:	\$542,361

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank, N.A.: Tax-Exempt	\$39,050,000	Citibank, N.A.: Tax-Exempt	\$28,300,000
Recycled Tax-Exempt	\$6,750,000	IHF <sup>1</sup>	\$5,500,000
Seller Carryback	\$1,280,000	Seller Carryback	\$1,280,000
Deferred Impact Fees	\$5,157,949	Deferred Impact Fees	\$5,157,949
Deferred Costs	\$24,524,312	Deferred Developer Fee	\$7,820,312
Tax Credit Equity	\$3,196,000	Tax Credit Equity	\$31,900,000
		<b>TOTAL</b>	<b>\$79,958,261</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Inclusionary Housing Funds

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$70,699,840
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$91,909,792
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,666,667
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,221,718
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.87000

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

The current legal description is part of a larger site and the project site's parcel. The new legal description and APN have not yet been finalized. The legal description and APN for CA-24-472 must be completed as part of the Placed In Service Package.

### CDLAC Analyst Comments

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 126.693%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Regional Street Apartments, located at 6541 - 6543 Regional Street in Dublin on a 1.33 acre site, requested and is being recommended for a reservation of \$3,736,224 in annual federal tax credits and \$44,202,679 of tax-exempt bond cap to finance the new construction of 113 units of housing, consisting of 112 restricted rental units, and 1 unrestricted manager's unit. The project will have 55 studio units, 57 one-bedroom units, and 1 two-bedroom unit, serving seniors with rents affordable to households earning 30%-50% of area median income (AMI). The building will be five story Type 1-A and Type V-A construction. Common amenities include large community room, laundry facilities, community kitchen, and computer room. Each unit will have refrigerator, and range/oven/cooktop. The construction is expected to begin in February 2025 and be completed in September 2026. The project will be developed by Eden Housing, Inc. and will be located in Senate District 7 and Assembly District 20.

The project financing includes state funding from the No Place Like Home (NPLH) and Multifamily Housing Program (MHP) programs of HCD.

**Project Number** CA-24-473

**Project Name** Regional Street Apartments  
Site Address: 6541 - 6543 Regional Street  
Dublin, CA 94568  
County: Alameda

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,736,224	\$0
Recommended:	\$3,736,224	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$44,202,679

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Regional Street Investors, L.P.  
Contact: Andrea Osgood  
Address: 22645 Grand Street  
Hayward, CA 94541  
Phone: 510-247-8103  
Email: aosgood@edenhousing.org

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

**Development Team**

General Partner(s) or Principal Owner(s): Regional Street, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Eden Housing, Inc.  
 Developer: Eden Housing, Inc.  
 Investor/Consultant: Hudson Housing Capital  
 Management Agent: Eden Housing Management, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 113  
 No. / % of Low Income Units: 112 100.00%  
 Average Targeted Affordability: 38.75%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Geographic Area: East Bay Region  
 State Ceiling Pool: New Construction  
 Set Aside: N/A  
 Homeless Set Aside Units: 34  
 CDLAC Project Analyst: Jake Salle  
 CTCAC Project Analyst: Jacob Couch

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	34	30%
50% AMI:	78	70%

**Unit Mix**

55 SRO/Studio Units
57 1-Bedroom Units
1 2-Bedroom Units
<b>113 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
17 SRO/Studio	30%	\$326
38 SRO/Studio	50%	\$1,295
17 1 Bedroom	30%	\$368
40 1 Bedroom	50%	\$1,387
1 2 Bedrooms	Manager's Unit	\$0

## Project Cost Summary at Application

Land and Acquisition	\$8,846,865
Construction Costs	\$52,099,894
Construction Hard Cost Contingency	\$3,630,854
Soft Cost Contingency	\$1,100,000
Const. Interest, Perm. Financing	\$9,151,951
Legal Fees	\$155,000
Reserves	\$1,103,646
Other Costs	\$3,508,377
Developer Fee	\$3,500,000
<b>Total</b>	<b>\$84,896,587</b>

## Residential

Construction Cost Per Square Foot:	\$615
Per Unit Cost:	\$751,297
Estimated Hard Per Unit Cost:	\$421,628
True Cash Per Unit Cost*:	\$670,766
Bond Allocation Per Unit:	\$391,174
Bond Allocation Per Restricted Rental Unit:	\$394,667

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Chase: Tax-Exempt	\$44,202,679	CCRC <sup>2</sup>	\$2,740,015
Chase: Taxable	\$16,693,460	HCD: MHP	\$19,919,853
Alameda County: A-1	\$5,048,319	HCD: NPLH	\$9,776,465
Alameda County: LH <sup>1</sup>	\$3,333,333	Alameda County: A-1	\$5,048,319
General Partner Contribution: Land	\$8,400,000	Alameda County: LH <sup>1</sup>	\$3,333,333
Deferred Costs	\$3,148,646	General Partner Contribution: Land	\$8,400,000
Deferred Developer Fee	\$700,000	Deferred Developer Fee	\$700,000
General Partner Equity	\$100	General Partner Equity	\$100
Tax Credit Equity	\$3,370,050	Tax Credit Equity	\$34,978,502
		<b>TOTAL</b>	<b>\$84,896,587</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup> Local Housing Trust Fund

<sup>2</sup> California Community Reinvestment Corporation

## Determination of Credit Amount(s)

Requested Eligible Basis:	\$71,850,454
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$93,405,590
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,736,224
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,500,000
Investor/Consultant:	Hudson Housing Capital
Federal Tax Credit Factor:	\$0.93620

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**

Staff noted a per unit development cost of \$670,766. Factors affecting this cost include prevailing wages and construction design elements encouraged by the local Specific Plan.

### **CDLAC Analyst Comments**

None

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 67.953%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Casa Roseland, located at 665 and 883 Sebastopol Road in Santa Rosa on a 1.53 acre site, requested and is being recommended for a reservation of \$3,285,961 in annual federal tax credits and \$35,548,000 of tax-exempt bond cap to finance the new construction of 75 units of housing, consisting of 74 restricted rental units, and 1 unrestricted manager's unit. The project will have 24 one-bedroom units, 31 two-bedroom units, and 20 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). This new construction project is a part of a large master development. It will consist of one 5-story elevator serviced building. It will be a Type V-A over Type 1-A building type on mat slab foundation with cement plaster exterior and a total residential area of 56,060 square feet. Common amenities include a large community room, management office(s), laundry facilities, learning center, bike storage, landscaped barbecue area and a play area. There will be 108 off-street parking spaces, 33 of which are located within the covered podium parking garage. Each unit will have central heating/cooling, a range/oven, window blinds and a refrigerator. The construction is expected to begin in February 2025 and be completed in August 2026. The project will be developed by MidPen Housing Corporation and will be located in Senate District 2 and Assembly District 12.

The project financing includes state funding from the Infill Infrastructure Grant (IIG) and Affordable Housing and Sustainable Communities (AHSC) programs of HCD.

**Project Number** CA-24-474

**Project Name** Casa Roseland  
Site Address: 665 and 883 Sebastopol Road  
Santa Rosa, CA 95407  
County: Sonoma  
Census Tract: 1531.04

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,285,961	\$0
Recommended:	\$3,285,961	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$35,548,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: MidPen Housing Corporation  
Contact: Joanna Carman  
Address: 303 Vintage Park Drive, Suite 250  
Foster City, CA 94404  
Phone: 831-707-2141  
Email: joanna.carman@midpen-housing.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: U.S. Bank National Association

**Development Team**

General Partner(s) or Principal Owner(s): MP Roseland Village LLC  
 Mid-Pen Housing Corporation  
 General Partner Type: Nonprofit  
 Parent Company(ies): Mid-Peninsula Hermanas, Inc.  
 MidPen Housing Corporation  
 Developer: MidPen Housing Corporation  
 Investor/Consultant: California Housing Partnership  
 Management Agent: MidPen Property Management Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 75  
 No. / % of Low Income Units: 74 100.00%  
 Average Targeted Affordability: 50.00%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: Northern Region  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 CDLAC Project Analyst: Sarah Lester  
 CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	24	32%
50% AMI:	2	3%
60% AMI:	48	65%

**Unit Mix**

24	1-Bedroom Units
31	2-Bedroom Units
20	3-Bedroom Units
75	Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
8 1 Bedroom	30%	\$708
9 2 Bedrooms	30%	\$849
7 3 Bedrooms	30%	\$981
1 1 Bedroom	50%	\$1,180
1 2 Bedrooms	50%	\$1,416
15 1 Bedroom	60%	\$1,416
20 2 Bedrooms	60%	\$1,699
13 3 Bedrooms	60%	\$1,962
1 2 Bedrooms	Manager's Unit	\$0

## Project Cost Summary at Application

Land and Acquisition	\$962,500
Construction Costs	\$45,757,609
Construction Hard Cost Contingency	\$2,287,880
Soft Cost Contingency	\$481,627
Architectural/Engineering	\$2,464,405
Const. Interest, Perm. Financing	\$5,210,452
Legal Fees	\$125,000
Reserves	\$267,300
Other Costs	\$1,778,166
Developer Fee	\$8,242,378
<b>Total</b>	<b>\$67,577,317</b>

## Residential

Construction Cost Per Square Foot:	\$585
Per Unit Cost:	\$901,031
Estimated Hard Per Unit Cost:	\$551,559
True Cash Per Unit Cost*:	\$803,118
Bond Allocation Per Unit:	\$473,973
Bond Allocation Per Restricted Rental Unit:	\$480,378

### Construction Financing

Source	Amount
US Bank: Tax-Exempt	\$35,548,000
US Bank: Taxable	\$7,573,265
RED Housing Loan Fund	\$4,200,000
Sonoma County: IIG	\$1,784,628
Sonoma County: Land	\$960,000
Sonoma County: CDC <sup>1</sup>	\$3,750,000
Sonoma County: CFH <sup>2</sup>	\$2,079,447
Accrued Interest	\$1,342,115
Deferred Developer Fee	\$7,343,476
Tax Credit Equity	\$2,996,386

### Permanent Financing

Source	Amount
RED Housing Loan Fund	\$4,200,000
HCD: AHSC	\$15,685,007
Sonoma County: IIG	\$1,784,628
Sonoma County: Land	\$960,000
Sonoma County: CDC <sup>1</sup>	\$3,750,000
Sonoma County: CFH <sup>2</sup>	\$2,079,447
Accrued Interest	\$230,053
Deferred Developer Fee	\$7,343,476
Tax Credit Equity	\$31,544,706
<b>TOTAL</b>	<b>\$67,577,317</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Sonoma County: Community Development Commission

<sup>2</sup>Sonoma County: Fund for Housing

## Determination of Credit Amount(s)

Requested Eligible Basis:	\$63,191,565
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$82,149,035
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,285,961
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,242,378
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.95456

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**

The current legal description is part of a larger site and the project site’s parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-24-474 must be completed as part of the placed in service package. The subject parcel will be partitioned into four separate lots, one of which will include the planned development.

Staff noted a per unit development cost of \$803,118. The applicant noted that the per unit cost is attributed to prevailing wages, a parking structure, development impact fees, land and holding costs, construction costs, and the site requiring remedial environmental work due to presence of soil gas vapor and PCE in the groundwater.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 84.747%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

La Passeggiata, located at 622 East Lindsay & 601 East Miner in Stockton on a 0.84 acre site, requested and is being recommended for a reservation of \$3,485,653 in annual federal tax credits and \$36,867,534 of tax-exempt bond cap to finance the new construction of 94 units of housing, consisting of 93 restricted rental units and 1 unrestricted manager's unit. The project will have 36 one-bedroom units, 23 two-bedroom units, and 35 three-bedroom units, serving families with rents affordable to households earning 30%-50% of area median income (AMI). The building will be 4 stories and Type I construction. Common amenities include community room, playground, management offices, computer room, business center, Head Start Day Care, secured entry, elevators, and parking. Each unit will have central heat and air, blinds, carpet, ceiling fan, storage, coat, and walk-in closets, patio/balcony, pantry cabinets, washers and dryer, refrigerator, stove/oven, dishwasher, and disposal. The construction is expected to begin in January 2025 and be completed in May 2027. The project will be developed by Visionary Home Builders of CA, Inc and will be located in Senate District 5 and Assembly District 13.

The project financing includes state funding from the Multifamily Housing Program (MHP), Local Government Matching Grants (LGMG), and Infill Infrastructure Grant (IIG) programs of HCD.

**Project Number** CA-24-476

**Project Name** La Passeggiata  
Site Address: 622 East Lindsay & 601 East Miner  
Stockton, CA 95202  
County: San Joaquin  
Census Tract: 100.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,485,653	\$0
Recommended:	\$3,485,653	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$36,867,534

**CTCAC Applicant Information**  
Applicant: Visionary Home Builders of California, Inc.  
Contact: Carol J. Ornelas  
Address: 315 N. San Joaquin  
Stockton, CA 95202  
Phone: 209-466-6811  
Email: dev@visionaryhomebuilders.org

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

## Development Team

General Partner(s) or Principal Owner(s): La Passeggiata LLC  
General Partner Type: Nonprofit  
Parent Company(ies): Visionary Home Builders of CA  
Developer: Visionary Home Builders of CA, Inc  
Investor/Consultant: California Housing Partnership  
Management Agent: Visionary Property Management Group

## Project Information

Construction Type: New Construction  
Total # Residential Buildings: 2  
Total # of Units: 94  
No. / % of Low Income Units: 93 100.00%  
Average Targeted Affordability: 38.55%  
Federal Set-Aside Elected: 40%/60%  
Federal Subsidy: Tax-Exempt / HOME

## Information

Housing Type: Large Family  
Geographic Area: Central Valley Region  
State Ceiling Pool: New Construction  
Set Aside: Extremely Low/Very Low Income Set Aside  
CDLAC Project Analyst: Christine Shephard  
CTCAC Project Analyst: Jacob Paixao

## 55-Year Use / Affordability

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	27	29%
35% AMI:	29	31%
40% AMI:	6	6%
45% AMI:	6	6%
50% AMI:	25	27%

## Unit Mix

36 1-Bedroom Units  
23 2-Bedroom Units  
35 3-Bedroom Units  
94 Total Units



<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
10 1 Bedroom	30%	\$493
7 2 Bedrooms	30%	\$592
10 3 Bedrooms	30%	\$684
11 1 Bedroom	35%	\$575
7 2 Bedrooms	35%	\$691
11 3 Bedrooms	35%	\$798
3 1 Bedroom	40%	\$658
1 2 Bedrooms	40%	\$790
2 3 Bedrooms	40%	\$912
4 1 Bedroom	45%	\$740
1 2 Bedrooms	45%	\$888
1 3 Bedrooms	45%	\$1,026
8 1 Bedroom	50%	\$822
6 2 Bedrooms	50%	\$987
11 3 Bedrooms	50%	\$1,140
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,072,046
Construction Costs	\$44,064,446
Construction Hard Cost Contingency	\$2,304,909
Soft Cost Contingency	\$404,605
Architectural/Engineering	\$1,655,770
Const. Interest, Perm. Financing	\$7,933,301
Legal Fees	\$220,000
Reserves	\$173,823
Other Costs	\$2,906,859
Developer Fee	\$8,743,276
<b>Total</b>	<b>\$70,479,035</b>

**Residential**

Construction Cost Per Square Foot:	\$421
Per Unit Cost:	\$749,777
Estimated Hard Per Unit Cost:	\$420,449
True Cash Per Unit Cost*:	\$683,359
Bond Allocation Per Unit:	\$392,208
Bond Allocation Per Restricted Rental Unit:	\$396,425

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Banner Bank: Tax-Exempt	\$36,867,534	City of Stockton: HOME	\$600,000
Banner Bank: Taxable	\$10,413,200	HCD: IIG	\$2,400,000
City of Stockton: HOME	\$600,000	HCD: LGMG	\$10,000,000
HCD: LGMG	\$10,000,000	HCD: MHP	\$18,914,643
HCD: IIG	\$2,400,000	County of San Joaquin	\$1,500,000
Deferred Costs	\$1,112,863	La Raza	\$1,000,000
Deferred Developer Fee	\$6,243,276	Deferred Developer Fee	\$6,243,276
Tax Credit Equity	\$2,842,162	Tax Credit Equity	\$29,821,116
		<b>TOTAL</b>	<b>\$70,479,035</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$67,031,782
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$87,141,317
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,485,653
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,743,276
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.85554

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**

Staff noted a per unit development cost of \$683,359. Applicant stated there is an increased construction cost due to constuction design elements including: materials, costs associated with an all-electric building, solar requirements, relocation of existing high voltage lines, and equipment required for an urban infill style project. Applicant also noted project is subject to prevailing wages.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 94.620%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Bella Vista Apartments, located at 1808 Parsons Avenue in Merced on a 4.59 acre site, requested and is being recommended for a reservation of \$3,402,171 in annual federal tax credits and \$36,656,693 of tax-exempt bond cap to finance the new construction of 108 units of housing, consisting of 106 restricted rental units, and 2 unrestricted manager's units. The project will have 6 one-bedroom units, 60 two-bedroom units, 30 three-bedroom units, and 12 four-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The buildings will include five buildings with three stories walk-up, garden-style units and one single building story dedicated to the Community Center. Common amenities include a full kitchen with pantry cabinets, interior laundry rooms with full-size washers and dryers provided to the residents, separate dining and family rooms, and private patio areas. Within the community, there will be 183 parking spaces, including designated guest and handicap parking. The construction is expected to begin in January 2025 and be completed in July 2026. The project will be developed by Visionary Home Builders and will be located in Senate District 14 and Assembly District 27.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Multifamily Housing Program (MHP) and Joe Serna, Jr. Farmworker Housing Grant (FWHG) programs of HCD.

**Project Number** CA-24-477

**Project Name** Bella Vista Apartments  
Site Address: 1808 Parsons Avenue  
Merced, CA 95340  
County: Merced  
Census Tract: 17.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,402,171	\$0
Recommended:	\$3,402,171	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$36,656,693

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Visionary Home Builders of California, Inc.  
Contact: Carol J. Ornelas  
Address: 315 North San Joaquin Street  
Stockton, CA 95202  
Phone: 209-466-6811  
Email: dev@visionaryhomebuilders.org

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

**Development Team**

General Partner(s) or Principal Owner(s): VHB Vella Vista LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Visionary Home Builders of CA  
 Developer: Visionary Home Builders  
 Investor/Consultant: California Housing Partnership  
 Management Agent: VPMG

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 4  
 Total # of Units: 108  
 No. / % of Low Income Units: 106 100.00%  
 Average Targeted Affordability: 47.75%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (20 Units - 18%)

**Information**

Housing Type: Large Family  
 Geographic Area: Central Valley Region  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Jacob Paixao

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	11	10%
40% AMI:	27	25%
50% AMI:	43	41%
60% AMI:	25	24%

**Unit Mix**

6 1-Bedroom Units
60 2-Bedroom Units
30 3-Bedroom Units
12 4-Bedroom Units
<u>108 Total Units</u>

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
5 2 Bedrooms	30%	\$557
2 3 Bedrooms	30%	\$643
1 4 Bedrooms	30%	\$717
2 1 Bedroom	40%	\$619
15 2 Bedrooms	40%	\$743
7 3 Bedrooms	40%	\$858
3 4 Bedrooms	40%	\$957
2 1 Bedroom	50%	\$773
15 2 Bedrooms	50%	\$928
8 3 Bedrooms	50%	\$1,072
4 4 Bedrooms	50%	\$1,196
2 1 Bedroom	60%	\$928
14 2 Bedrooms	60%	\$1,114
5 3 Bedrooms	60%	\$1,287
1 4 Bedrooms	60%	\$1,435
1 2 Bedrooms	30%	\$557
9 2 Bedrooms	50%	\$928
1 3 Bedrooms	30%	\$643
4 3 Bedrooms	50%	\$1,072
2 3 Bedrooms	60%	\$1,287
1 4 Bedrooms	30%	\$717
1 4 Bedrooms	50%	\$1,196
1 4 Bedrooms	60%	\$1,435
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,481,040
Construction Costs	\$43,676,515
Construction Hard Cost Contingency	\$2,438,920
Soft Cost Contingency	\$252,904
Architectural/Engineering	\$1,268,000
Const. Interest, Perm. Financing	\$6,952,482
Legal Fees	\$213,138
Reserves	\$344,979
Other Costs	\$4,541,625
Developer Fee	\$8,533,873
<b>Total</b>	<b>\$70,703,476</b>

## Residential

Construction Cost Per Square Foot:	\$281
Per Unit Cost:	\$654,662
Estimated Hard Per Unit Cost:	\$356,222
True Cash Per Unit Cost*:	\$591,788
Bond Allocation Per Unit:	\$339,414
Bond Allocation Per Restricted Rental Unit:	\$345,818

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Banner Bank: Tax-Exempt	\$36,656,693	Banner Bank	\$4,213,000
Banner Bank: Taxable	\$13,295,312	HCD: MHP	\$19,062,940
HCD: FWHG	\$5,453,375	HCD: FWHG	\$6,059,305
City of Merced: ARPA <sup>1</sup> Grant	\$3,500,000	City of Merced: ARPA <sup>1</sup> Grant	\$3,500,000
City of Merced	\$977,626	City of Merced	\$977,626
Impact Fee Waiver	\$756,522	Impact Fee Waiver	\$756,522
Deferred Costs	\$1,260,036	Raza Development Fund	\$1,000,000
Deferred Developer Fee	\$6,033,873	Deferred Developer Fee	\$6,033,873
Tax Credit Equity	\$2,770,039	Tax Credit Equity	\$29,100,210
		<b>TOTAL</b>	<b>\$70,703,476</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>American Rescue Plan Act

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$65,426,361
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$85,054,269
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,402,171
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,533,873
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.85534

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

Staff noted a per unit development cost of \$654,662. Applicant stated there is increased construction costs due to all-electric building requirements and prevailing wages. In addition, applicant noted site is located in a flood zone which has additional building requirements resulting in higher cost.

### CDLAC Analyst Comments

None



**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 87.146%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 6, 2024**

Bana at Palmdale, located at 38732 9th Street East in Palmdale on a 1.02 acre site, requested and is being recommended for a reservation of \$937,331 in annual federal tax credits and \$10,000,000 of tax-exempt bond cap to finance the new construction of 48 units of housing, consisting of 47 restricted rental units and 1 unrestricted manager's unit. The project will have 20 two-bedroom units, and 28 three-bedroom units, serving tenants with rents affordable to households earning 30%-50% of area median income (AMI). The building will be 5 stories and wood frame construction with stucco exterior walls on a concrete slab foundation. Common amenities include a recreation room, a computer/technology room, a management office, and laundry facilities. Each unit will have a refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer. The construction is expected to begin in December 2024 and be completed in June 2026. The project will be developed by Milare Housing Investments, Inc and will be located in Senate District 21 and Assembly District 39.

The project financing includes state funding from the Infill Infrastructure Grant (IIG) program of HCD.

**Project Number** CA-24-478

**Project Name** Bana at Palmdale  
 Site Address: 38732 9th Street East  
 Palmdale, CA 93550  
 County: Los Angeles  
 Census Tract: 9105.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$937,331	\$0
Recommended:	\$937,331	\$0

**Tax-Exempt Bond Allocation**  
 Recommended: \$10,000,000

**CTCAC Applicant Information**  
 CTCAC Applicant/CDLAC Sponsor: MILARE Housing Investments, Inc.  
 Contact: Ali Milani  
 Address: 313 East Broadway #10777  
 Glendale, CA 91209  
 Phone: 818-550-1990  
 Email: ali.milani@milarehousing.com

**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 Partner(s) or Principal Owner(s): MILARE Housing Investments, Inc.  
 Deep Green Housing and Community Development  
 General Partner Type: Joint Venture  
 Parent Company(ies): MILARE Housing Investments, Inc.  
 Vista West Properties  
 Developer: Milare Housing Investments, Inc  
 Investor/Consultant: R4 Capital LLC  
 Management Agent: Quality Management Group, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 48  
 No. / % of Low Income Units: 47 100.00%  
 Average Targeted Affordability: 46.06%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 Set Aside: Extremely Low/Very Low Income Set Aside  
 Homeless Set Aside Units: N/A  
 CDLAC Project Analyst: Anthony Wey  
 CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	5	11%
45% AMI:	17	36%
50% AMI:	25	53%

**Unit Mix**

20 2-Bedroom Units
28 3-Bedroom Units
<b>48 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
2 2 Bedrooms	30%	\$851
7 2 Bedrooms	45%	\$1,276
10 2 Bedrooms	50%	\$1,418
3 3 Bedrooms	30%	\$983
10 3 Bedrooms	45%	\$1,475
15 3 Bedrooms	50%	\$1,639
1 2 Bedrooms	Manager's Unit	\$0

### Project Cost Summary at Application

Land and Acquisition	\$242,823
Construction Costs	\$12,779,988
Construction Hard Cost Contingency	\$370,012
Soft Cost Contingency	\$55,000
Architectural/Engineering	\$440,168
Const. Interest, Perm. Financing	\$1,638,020
Legal Fees	\$61,620
Reserves	\$431,482
Other Costs	\$984,475
Developer Fee	\$2,100,000
<b>Total</b>	<b>\$19,103,588</b>

### Residential

Construction Cost Per Square Foot:	\$260
Per Unit Cost:	\$397,991
Estimated Hard Per Unit Cost:	\$243,740
True Cash Per Unit Cost*:	\$366,121
Bond Allocation Per Unit:	\$208,333
Bond Allocation Per Restricted Rental Unit:	\$212,766

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citibank, NA: Tax-Exempt	\$10,000,000	Citibank, NA: Tax-Exempt	\$5,451,213
Citibank, NA :Tax-Exempt Recycled	\$1,528,287	HCD: IIG	\$3,500,000
HCD: IIG	\$3,500,000	Deferred Developer Fee	\$1,529,790
Deferred Developer Fee	\$1,714,545	Tax Credit Equity	\$8,622,585
Tax Credit Equity	\$2,360,756	<b>TOTAL</b>	<b>\$19,103,588</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$18,025,601
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$23,433,281
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$937,331
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,100,000
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.91991

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 179.285%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Sandstone Valley Apartments, located at 41705 Hawthorn Street in Murrieta on a 3.6 acre site, requested and is being recommended for a reservation of \$2,574,781 in annual federal tax credits and \$14,503,816 in total state tax credits and \$25,652,201 of tax-exempt bond cap to finance the new construction of 96 units of housing, consisting of 95 restricted rental units, and 1 unrestricted manager's unit. The project will have 18 one-bedroom units, 48 two-bedroom units, and 30 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). Sandstone Valley Apartments will consist of 3-story building, Type VA structure wood framed over concrete slab-on-grade, stucco exteriors and vinyl windows. Common amenities include a play area for children, outdoor BBQ area, community room, computer lounge, leasing office, and restrooms. Each unit will have a balcony/patio, oven, blinds, central A/C, dishwasher, garbage disposal and refrigerator. The construction is expected to begin in February 2025 and be completed in November 2026. The project will be developed by CRP Affordable Housing and Community Development LLC and will be located in Senate District 32 and Assembly District 71.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-481

**Project Name** Sandstone Valley Apartments  
Site Address: 41705 Hawthorn Street  
Murrieta, CA 92562  
County: Riverside  
Census Tract: 0498.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,574,781	\$14,503,816
Recommended:	\$2,574,781	\$14,503,816

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$25,652,201

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Community Revitalization and Development Corporation  
Contact: David Rutledge  
Address: 635 Parkview Avenue  
Redding, CA 96001  
Phone: 530-241-6960  
Email: david@crdc-housing.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital



**Development Team**

General Partner(s) or Principal Owner(s): Sandstone Valley Apartments AGP LLC  
 Community Revitalization and Development Corporation  
 General Partner Type: Joint Venture  
 Parent Company(ies): Bold Capital LLC  
 Community Revitalization and Development Corporation  
 Developer: CRP Affordable Housing and Community Development LLC  
 Investor/Consultant: Hunt Capital Partners  
 Management Agent: Cambridge Real Estate Services, Inc

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 4  
 Total # of Units: 96  
 No. / % of Low Income Units: 95 100.00%  
 Average Targeted Affordability: 43.79%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt / HUD Project-based Vouchers (24 Units - 25%)

**Information**

Housing Type: Large Family  
 Geographic Area: Inland Empire Region  
 State Ceiling Pool: New Construction  
 Set Aside: Mixed Income Set Aside  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	48	51%
50% AMI:	20	21%
60% AMI:	17	18%
70% AMI*:	10	11%

\*CTCAC restricted only

**Unit Mix**

18 1-Bedroom Units  
 48 2-Bedroom Units  
 30 3-Bedroom Units  


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 96 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	70%	\$1,224
3 1 Bedroom	60%	\$1,049
4 1 Bedroom	50%	\$874
4 1 Bedroom	30%	\$524
5 1 Bedroom	30%	\$524
5 2 Bedrooms	70%	\$1,467
9 2 Bedrooms	60%	\$1,258
10 2 Bedrooms	50%	\$1,048
12 2 Bedrooms	30%	\$629
12 2 Bedrooms	30%	\$629
3 3 Bedrooms	70%	\$1,695
5 3 Bedrooms	60%	\$1,453
6 3 Bedrooms	50%	\$1,211
8 3 Bedrooms	30%	\$727
7 3 Bedrooms	30%	\$727
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$1,934,469
Construction Costs	\$31,724,368
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,620,000
Soft Cost Contingency	\$486,456
Relocation	\$0
Architectural/Engineering	\$1,620,000
Const. Interest, Perm. Financing	\$6,761,329
Legal Fees	\$325,000
Reserves	\$1,059,719
Other Costs	\$4,743,876
Developer Fee	\$6,458,482
Commercial Costs	\$0
<b>Total</b>	<b>\$56,733,699</b>

**Residential**

Construction Cost Per Square Foot:	\$254
Per Unit Cost:	\$590,976
Estimated Hard Per Unit Cost:	\$286,476
True Cash Per Unit Cost*:	\$548,878
Bond Allocation Per Unit:	\$267,210
Bond Allocation Per Restricted Rental Unit:	\$301,791

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citi: Tax-Exempt	\$25,652,201
Citi: Taxable	\$8,747,882
Riverside County: PLHA <sup>1</sup>	\$3,000,000
Riverside County: IEHP <sup>2</sup>	\$3,000,000
Deferred Costs	\$7,663,757
Tax Credit Equity	\$8,669,859

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citi: Tax-Exempt	\$8,012,820
CalHFA: MIP	\$4,000,000
Riverside County: PLHA <sup>1</sup>	\$3,000,000
Riverside County: IEHP <sup>2</sup>	\$3,000,000
Deferred Developer Fee	\$4,041,443
Tax Credit Equity	\$34,679,436
<b>TOTAL</b>	<b>\$56,733,699</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Permanent Local Housing Allocation

<sup>2</sup>Inland Empire Health Plan

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$49,515,028
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$64,369,536
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,574,781
Total State Credit:	\$14,503,816
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,458,482
Investor/Consultant:	Hunt Capital Partners
Federal Tax Credit Factor:	\$0.83992
State Tax Credit Factor:	\$0.90000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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.

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Rosa's Place, located at 501 East 5th Street in Los Angeles on a 0.68 acre site, requested and is being recommended for a reservation of \$3,545,168 in annual federal tax credits and \$40,500,000 of tax-exempt bond cap to finance the new construction of 98 units of housing, consisting of 97 restricted rental units, and 1 unrestricted manager's unit. The project will have 97 studio units, and 1 two-bedroom unit, serving special needs tenants with rents affordable to households earning 30%-50% of area median income (AMI). The building will be seven story Type III construction. Common amenities include large community room, laundry facilities, learning center, and on-site case manager and service managers. Each unit will have refrigerator, and range/oven. The construction is expected to begin in February 2025 and be completed in August 2027. The project will be developed by Daylight Community Development and will be located in Senate District 28 and Assembly District 57.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Infill Infrastructure Grant (IIG) and Affordable Housing and Sustainable Communities (AHSC) programs of HCD.

**Project Number** CA-24-482

**Project Name** Rosa's Place  
Site Address: 501 East 5th Street  
Los Angeles, CA 90013  
County: Los Angeles  
Census Tract: 2062.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,545,168	\$0
Recommended:	\$3,545,168	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$40,500,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: DWC Campus, LP  
Contact: Sonya Falcone  
Address: 250 North Harbor Drive, Suite 350  
Redondo Beach, CA 90277  
Phone: (303) 775-0147  
Email: sonya@daylight.la

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: City of Los Angeles  
Bond Counsel: Kutak Rock LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): DWC SP2, LLC  
 GTM DWC AGP, LLC  
 Daylight San Pedro, LLC

General Partner Type: Joint Venture

Parent Company(ies): Downtown Women's Center  
 GTM Holdings, LLC  
 Daylight Community Development

Developer: Daylight Community Development

Investor/Consultant: R4 Capital

Management Agent: Barker Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 98

No. / % of Low Income Units: 97 100.00%

Average Targeted Affordability: 33.59%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: Tax-Exempt / HOME / HUD Section 8 Project-based Vouchers (97 Units - 100%)

**Information**

Housing Type: Special Needs

Geographic Area: City of Los Angeles

Set Aside: Extremely Low/Very Low Income Set Aside

Homeless Set Aside Units: 97

CDLAC Project Analyst: Jake Salle

CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	73	75%
50% AMI:	24	25%

**Unit Mix**

97 SRO/Studio Units  
 1 2-Bedroom Units  


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 98 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
20 SRO/Studio	30%	\$516
53 SRO/Studio	30%	\$662
24 SRO/Studio	50%	\$1,103
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$7,040,000
Construction Costs	\$48,085,466
Construction Hard Cost Contingency	\$4,636,111
Soft Cost Contingency	\$960,874
Architectural/Engineering	\$2,208,925
Const. Interest, Perm. Financing	\$12,161,925
Legal Fees	\$430,648
Reserves	\$1,364,914
Other Costs	\$3,120,648
Developer Fee	\$3,500,000
<b>Total</b>	<b>\$83,509,511</b>

**Residential**

Construction Cost Per Square Foot:	\$678
Per Unit Cost:	\$852,138
Estimated Hard Per Unit Cost:	\$434,333
True Cash Per Unit Cost*:	\$844,995
Bond Allocation Per Unit:	\$413,265
Bond Allocation Per Restricted Rental Unit:	\$417,526

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$40,500,000
Citibank: Taxable	\$17,066,552
HOME	\$7,785,104
HCD: IIG	\$4,080,000
City of Los Angeles	\$6,565,000
Apple	\$810,000
Deferred Costs	\$1,624,914
Deferred Developer Fee	\$2,100,000
Tax Credit Equity	\$2,977,941

**Permanent Financing**

Source	Amount
HOME	\$7,785,104
HCD: IIG	\$4,080,000
HCD: AHSC	\$26,500,000
City of Los Angeles	\$6,565,000
Apple	\$8,100,000
Deferred Developer Fee	\$700,000
Tax Credit Equity	\$29,779,407
<b>TOTAL</b>	<b>\$83,509,511</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$70,913,094
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$92,187,022
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,545,168
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,500,000
Investor/Consultant:	R4 Capital
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**

Staff noted a per unit development cost of \$844,995. The applicant noted that the per unit cost is attributed to an increase in land costs, high borrowing costs, JJJ project labor requirements, and the costs associated with replacing the existing parking with a parking structure.

### **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event.** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 97.386%



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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 79.906%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Holt & Main, located at 221 West Holt Avenue and 237 West Holt Avenue in Pomona on a 1.3 acre site, requested and is being recommended for a reservation of \$3,710,315 in annual federal tax credits and \$21,000,000 in total state tax credits and \$37,500,000 of tax-exempt bond cap to finance the new construction of 160 units of housing, consisting of 158 restricted rental units, and 2 unrestricted manager's units. The project will have 76 one-bedroom units, 44 two-bedroom units, and 40 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The proposed project will consist of two parcels located in the Lincoln Park neighborhood of Pomona, California. The building will be five levels of wood-framed Type III-A construction at grade. The building will be serviced by two elevators. Common amenities will include property management and resident service offices, two (2) community rooms, a flex space, a computer/study lounge, and an outdoor courtyard. The project will provide 80 parking spaces, including 75 standard stalls and 5 ADA-compliant stalls. Of the parking spaces provided, 24 will be EV ready. All parking is located in the ground level garage. Additionally, long-term bicycle parking spaces (in the building) will be provided on site. Each unit will have a fully furnished kitchen with a refrigerator, oven, cooking range, cabinetry and hard surface counters; central heating and air conditioning; and ample storage space. Mobility accessible units will provide larger door clearances, grab bars, wheelchair turnaround spaces within the units, removable cabinets at bath vanity and kitchen sink/work surface for wheelchair knee and toe clearance, and hand-held shower heads. Units serving tenants who are visually and /or hearing impaired are built with all lighting and HVAC controls within allowable reach ranges. Hearing and visually impaired units are also equipped with visual fire alarm and doorbell warning systems, and strobe lights. The construction is expected to begin in February 2025 and be completed in February 2027. The project will be developed by Meta Development LLC and will be located in Senate District 22 and Assembly District 53.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

<b>Project Number</b>	CA-24-483
<b>Project Name</b>	Holt & Main
Site Address:	221 West Holt Avenue and 237 West Holt Avenue Pomona, CA 91768
County:	Los Angeles
Census Tract:	4023.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,710,315	\$21,000,000
Recommended:	\$3,710,315	\$21,000,000

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

<b>Tax-Exempt Bond Allocation</b>	
Recommended:	\$37,500,000

**CTCAC Applicant Information**

CTCAC Applicant/CDLAC Sponsor: Holt & Main, L.P.  
Applicant for State Credits: Western Community Housing, Inc.  
Contact: Chris Maffris  
Address: 11150 West Olympic Boulevard, Suite 620  
Los Angeles, CA 90064  
Phone: 310-575-3543  
Email: cmaffris@metahousing.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Holt & Main LLC  
WCH Affordable LXIV, LLC  
General Partner Type: Joint Venture  
Parent Company(ies): Meta Development LLC  
Western Community Housing, Inc  
Developer: Meta Development LLC  
Investor/Consultant: Boston Financial Investment Management, LP  
Management Agent: Solari Enterprises, Inc

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 1  
Total # of Units: 160  
No. / % of Low Income Units: 158 100.00%  
Average Targeted Affordability: 52.67%  
Federal Set-Aside Elected: 40%/60% Average Income  
Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
Geographic Area: Balance of Los Angeles County  
State Ceiling Pool: New Construction  
Set Aside: Mixed Income Set Aside  
CDLAC Project Analyst: Sarah Lester  
CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	40	25%
50% AMI:	12	8%
60% AMI:	90	57%
70% AMI*:	16	10%

\*CTCAC restricted only

**Unit Mix**

76	1-Bedroom Units
44	2-Bedroom Units
40	3-Bedroom Units
<u>160</u>	<u>Total Units</u>

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>	
20	1 Bedroom	30%	\$709
6	1 Bedroom	50%	\$1,182
42	1 Bedroom	60%	\$1,419
8	1 Bedroom	70%	\$1,655
10	2 Bedrooms	30%	\$851
3	2 Bedrooms	50%	\$1,418
25	2 Bedrooms	60%	\$1,702
4	2 Bedrooms	70%	\$1,986
10	3 Bedrooms	30%	\$983
3	3 Bedrooms	50%	\$1,639
23	3 Bedrooms	60%	\$1,967
4	3 Bedrooms	70%	\$2,295
2	2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$3,597,934
Construction Costs	\$44,630,241
Construction Hard Cost Contingency	\$2,241,395
Soft Cost Contingency	\$750,000
Architectural/Engineering	\$2,006,652
Const. Interest, Perm. Financing	\$8,814,428
Legal Fees	\$360,000
Reserves	\$565,486
Other Costs	\$6,471,648
Developer Fee	\$9,306,811
<b>Total</b>	<b>\$78,744,594</b>

**Residential**

Construction Cost Per Square Foot:	\$243
Per Unit Cost:	\$492,154
Estimated Hard Per Unit Cost:	\$246,624
True Cash Per Unit Cost*:	\$456,623
Bond Allocation Per Unit:	\$234,375
Bond Allocation Per Restricted Rental Unit:	\$264,085

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$37,500,000
Citibank: Tax-Exempt Recycled	\$8,000,000
Citibank: Taxable	\$17,000,000
Deferred Operating Reserves	\$565,486
Deferred Developer Fee	\$8,033,648
Tax Credit Equity	\$7,645,461

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA: Tax-Exempt	\$18,090,000
CalHFA: MIP	\$4,000,000
Deferred Developer Fee	\$5,684,854
Tax Credit Equity	\$50,969,741
<b>TOTAL</b>	<b>\$78,744,594</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$71,352,218
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$92,757,883
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,710,315
Total State Credit:	\$21,000,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,306,811
Investor/Consultant:	Boston Financial Investment Management, LP
Federal Tax Credit Factor:	\$0.87000
State Tax Credit Factor:	\$0.89000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 93.899%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Jubilo Village, located at 4460-4464 Sepulveda Boulevard in Culver City on a 0.95 acre site, requested and is being recommended for a reservation of \$3,103,269 in annual federal tax credits and \$16,703,612 in total state tax credits and \$39,300,420 of tax-exempt bond cap to finance the new construction of 95 units of housing, consisting of 93 restricted rental units, and 2 unrestricted manager's units. The project will have 45 one-bedroom units, 25 two-bedroom units, and 25 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The building will be 6 stories - 5 floors of Type III-A over 1 floor Type 1-A garage and Type 1-A subterranean garage construction. Common amenities include laminate flooring, central air conditioning and heating, clubhouse, courtyard, elevators, central laundry facility, on-site management, playground, service coordinator and wireless internet connection in the clubhouse. Each unit will have refrigerators, ovens and dishwashers. The construction is expected to begin in February 2025 and be completed in December 2026. The project will be developed by Community Corporation of Santa Monica and will be located in Senate District 28 and Assembly District 55.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-485

**Project Name** Jubilo Village  
Site Address: 4460-4464 Sepulveda Boulevard  
Culver City, CA 90230  
County: Los Angeles  
Census Tract: 7027.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,103,269	\$16,703,612
Recommended:	\$3,103,269	\$16,703,612

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$39,300,420

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Community Corporation of Santa Monica  
Contact: Tara Barauskas  
Address: 1410 2nd Street, Suite 200  
Santa Monica, CA 90401  
Phone: 310-394-8487  
Email: tbarauskas@communitycorp.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer:	California Municipal Finance Authority
Bond Counsel:	Jones Hall, A Professional Law Corporation
Public Sale:	Credit Enhanced
Underwriter:	Fannie Mae
Credit Enhancement Provider:	RBC Capital Markets, LLC

**Development Team**

General Partner(s) or Principal Owner(s):	4464 Sepulveda Blvd. LLC
General Partner Type:	Nonprofit
Parent Company(ies):	Community Corporation of Santa Monica
Developer:	Community Corporation of Santa Monica
Investor/Consultant:	CTY Housing
Management Agent:	Community Corporation of Santa Monica

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	95	
No. / % of Low Income Units:	93	100.00%
Average Targeted Affordability:	50.01%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (93 Units - 100%)	

**Information**

Housing Type:	Large Family
Geographic Area:	Balance of Los Angeles County
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	42
CDLAC Project Analyst:	Erin Deblaquiere
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	10	11%
40% AMI:	24	26%
50% AMI:	35	38%
60% AMI:	14	15%
80% AMI*:	10	11%

\*CTCAC restricted only



**Unit Mix**

45	1-Bedroom Units
25	2-Bedroom Units
25	3-Bedroom Units
<hr/>	
95	Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 1 Bedroom	30%	\$709
3 2 Bedrooms	30%	\$851
19 1 Bedroom	40%	\$946
5 2 Bedrooms	40%	\$1,135
5 1 Bedroom	50%	\$1,182
3 2 Bedrooms	50%	\$1,418
13 3 Bedrooms	50%	\$1,639
9 1 Bedroom	50%	\$1,182
5 2 Bedrooms	50%	\$1,418
3 1 Bedroom	60%	\$1,419
5 2 Bedrooms	60%	\$1,702
6 3 Bedrooms	60%	\$1,967
2 1 Bedroom	80%	\$1,892
3 2 Bedrooms	80%	\$2,270
5 3 Bedrooms	80%	\$2,623
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$13,300,000
Construction Costs	\$40,640,131
Construction Hard Cost Contingency	\$2,371,448
Soft Cost Contingency	\$294,735
Architectural/Engineering	\$1,575,000
Const. Interest, Perm. Financing	\$9,196,348
Legal Fees	\$580,500
Reserves	\$668,977
Other Costs	\$2,173,819
Developer Fee	\$7,784,120
<b>Total</b>	<b>\$78,585,078</b>

## Residential

Construction Cost Per Square Foot:	\$376
Per Unit Cost:	\$827,211
Estimated Hard Per Unit Cost:	\$365,799
True Cash Per Unit Cost*:	\$782,115
Bond Allocation Per Unit:	\$413,689
Bond Allocation Per Restricted Rental Unit:	\$473,499

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Bank of America: Tax-Exempt	\$39,300,420	CPC Mortgage	\$26,409,422
Bank Of America: Taxable	\$18,742,607	CCCHA <sup>1</sup>	\$4,000,000
CCCHA <sup>1</sup>	\$4,000,000	City of Culver City	\$1,000,000
City of Culver City	\$1,000,000	General Partner Equity	\$100
Deferred Costs	\$929,544	Deferred Developer Fee	\$4,284,120
General Partner Equity	\$100	Tax Credit Equity	\$42,891,436
Deferred Developer Fee	\$6,034,120	<b>TOTAL</b>	<b>\$78,585,078</b>
Tax Credit Equity	\$8,578,287		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

CCCHA<sup>1</sup>: City of Culver City Housing Authority

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$59,678,254
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$77,581,730
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,103,269
Total State Credit:	\$16,703,612
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,784,120
Investor/Consultant:	CTY Housing
Federal Tax Credit Factor:	\$0.93000
State 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

Development costs are roughly \$782,115 per unit. The factors affecting this cost include land acquisition cost, construction loan interest, and prevailing wages.

The current legal description is part of a larger site and the project site's parcel (legal description and APN) have not yet been finalized. The legal description and APN for CA-24-485 must be completed as part of the placed in service package.

The project will serve 45% Special Needs tenants, consisting of individuals who are homeless.

## **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 94.874%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

BUSD Workforce Housing, located at 1701 San Pablo Avenue in Berkeley on a 0.78 acre site, requested and is being recommended for a reservation of \$2,559,765 in annual federal tax credits and \$9,131,113 in total state tax credits and \$39,443,118 of tax-exempt bond cap to finance the new construction of 110 units of housing, consisting of 97 restricted rental units, 12 market-rate units, and 1 unrestricted manager's unit. The project will have 60 one-bedroom units, 25 two-bedroom units, and 25 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The building will be a 110-unit, Type III-A over Type I-A construction, six-story new construction project with a contemporary design, featuring exterior building materials such as metal siding, plaster, and masonry finishes. Common amenities include laundry room, elevators, secure bicycle storage, property management offices, a lobby gathering area, a meeting room a fitness center on the ground floor, and a multi-purpose room and offices on the second floor. Each unit will have energy-efficient light fixtures, water-efficient plumbing fixtures, central heating and cooling, ample storage space, a stove and range, and a refrigerator. The construction is expected to begin in December 2024 and be completed in October 2026. The project will be developed by Satellite Affordable Housing Associates and will be located in Senate District 9 and Assembly District 14.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-489

**Project Name** BUSD Workforce Housing  
Site Address: 1701 San Pablo Avenue  
Berkeley, CA 94702  
County: Alameda  
Census Tract: 4222.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,559,765	\$9,131,113
Recommended:	\$2,559,765	\$9,131,113

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$39,443,118

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Satellite Affordable Housing Associates  
Contact: Eve Stewart  
Address: 1835 Alcatraz Avenue  
Berkeley, CA 94703  
Phone: 510-809-2754  
Email: estewart@sahahomes.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Silicon Valley Bank

**Development Team**

General Partner(s) or Principal Owner(s): San Pablo GP LLC  
 1701 San Pablo LLC

General Partner Type: Nonprofit

Parent Company(ies): Abode Communities  
 Satellite Affordable Housing Associates

Developer: Satellite Affordable Housing Associates

Investor/Consultant: California Housing Partnership

Management Agent: Satellite Affordable Housing Associates

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 110

No. / % of Low Income Units: 97 88.99%

Average Targeted Affordability: 56.29%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family

Geographic Area: East Bay Region

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Amit Sarang

CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	25	26%
50% AMI:	25	26%
60% AMI:	15	15%
80% AMI*:	32	33%

\*CTCAC restricted only

**Unit Mix**

60 1-Bedroom Units
25 2-Bedroom Units
25 3-Bedroom Units
<hr/>
110 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
13 1 Bedroom	30%	\$832
6 2 Bedrooms	30%	\$999
6 3 Bedrooms	30%	\$1,153
13 1 Bedroom	50%	\$1,387
6 2 Bedrooms	50%	\$1,665
6 3 Bedrooms	50%	\$1,923
7 1 Bedroom	60%	\$1,665
4 2 Bedrooms	60%	\$1,998
4 3 Bedrooms	60%	\$2,307
14 1 Bedroom	80%	\$2,220
9 2 Bedrooms	80%	\$2,664
9 3 Bedrooms	80%	\$3,077
1 1 Bedroom	Manager's Unit	\$0
12 1 Bedroom	Market Rate Unit	\$2,554

### **Project Cost Summary at Application**

Land and Acquisition	\$390,725
Construction Costs	\$53,879,276
Construction Hard Cost Contingency	\$2,726,754
Soft Cost Contingency	\$412,004
Architectural/Engineering	\$2,636,029
Const. Interest, Perm. Financing	\$5,771,701
Legal Fees	\$170,000
Reserves	\$699,900
Other Costs	\$4,827,086
Developer Fee	\$4,000,000
<b>Total</b>	<b>\$75,513,475</b>

### **Residential**

Construction Cost Per Square Foot:	\$512
Per Unit Cost:	\$686,486
Estimated Hard Per Unit Cost:	\$443,174
True Cash Per Unit Cost*:	\$662,260
Bond Allocation Per Unit:	\$358,574
Bond Allocation Per Restricted Rental Unit:	\$606,817

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Silicon Valley Bank: Tax-Exempt	\$39,443,118
Silicon Valley Bank: Taxable	\$3,940,402
City of Berkeley	\$22,050,000
Accrued Interest	\$870,178
Deferred Costs	\$1,653,031
General Partner Equity	\$100
Deferred Developer Fee	\$2,664,882
Tax Credit Equity	\$4,891,764

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA: Tax-Exempt	\$10,196,000
CalHFA: MIP	\$4,000,000
City of Berkeley	\$24,500,000
Accrued Interest	\$870,178
General Partner Equity	\$100
Deferred Developer Fee	\$2,664,882
Tax Credit Equity	\$33,282,315
<b>TOTAL</b>	<b>\$75,513,475</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$71,910,930
130% High Cost Adjustment:	No
Applicable Fraction:	88.99%
Qualified Basis:	\$63,994,130
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,559,765
Total State Credit:	\$9,131,113
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,000,000
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.97028
State Tax Credit Factor:	\$0.92491

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:**

Staff noted a per-unit cost of \$662,260. The applicant noted that these costs are driven by many factors; including the requirement for a payment of prevailing wages, higher interest rates, larger unit sizes bringing added project costs, and the increase in insurance premiums for construction.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event****Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 78.800%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Golden Gate Avenue Phase 1 LIHTC, located at 750 Golden Gate Avenue in San Francisco on a 0.26 acre site, requested and is being recommended for a reservation of \$3,061,153 in annual federal tax credits and \$31,132,689 of tax-exempt bond cap to finance the new construction of 55 units of housing, consisting of 54 restricted rental units, and 1 unrestricted manager's unit. The project will have 7 studio units, 19 one-bedroom units, 15 two-bedroom units, and 14 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be 8 stories and Type I construction. Common amenities include a community room, laundry room, on-site resident services office, and an outdoor landscaped courtyard sitting on top of the concrete podium. Each unit will have a refrigerator, range/oven, dishwasher, and garbage disposal. The construction is expected to begin in December 2024 and be completed in September 2026. The project will be developed by MidPen Housing Corporation and will be located in Senate District 11 and Assembly District 17.

**Project Number** CA-24-490

**Project Name** Golden Gate Avenue Phase 1 LIHTC  
Site Address: 750 Golden Gate Avenue  
San Francisco, CA 94102  
County: San Francisco  
Census Tract: 160.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,061,153	\$0
Recommended:	\$3,061,153	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$31,132,689

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: MidPen Housing Corporation  
Contact: Joanna Carman  
Address: 303 Vintage Park Drive  
Foster City, CA 94404  
Phone: 831-707-2141  
Email: joanna.carman@midpen-housing.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: City and County of San Francisco  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: Silicon Valley Bank, a division of First-Citizens Bank & Trust Company

**Development Team**

General Partner(s) or Principal Owner(s): MP Golden Gate Avenue LLC  
General Partner Type: Nonprofit  
Parent Company(ies): Mid-Peninsula Hermanas, Inc.  
Developer: MidPen Housing Corporation  
Investor/Consultant: California Housing Partnership  
Management Agent: MidPen Property Management Corporation

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	55	
No. / % of Low Income Units:	54	100.00%
Average Targeted Affordability:	50.93%	
Federal Set-Aside Elected:	40%/60%	

**Information**

Housing Type:	Large Family
Geographic Area:	San Francisco County
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Anthony Wey
CTCAC Project Analyst:	Dianne Myers

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	8	15%
40% AMI:	6	11%
50% AMI:	13	24%
60% AMI:	27	50%

**Unit Mix**

7 SRO/Studio Units
19 1-Bedroom Units
15 2-Bedroom Units
14 3-Bedroom Units
<hr/>
55 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
2 SRO/Studio	30%	\$975
2 1 Bedroom	30%	\$1,045
2 2 Bedrooms	30%	\$1,254
2 3 Bedrooms	30%	\$1,449
2 SRO/Studio	40%	\$1,301
4 1 Bedroom	40%	\$1,394
3 SRO/Studio	50%	\$1,626
4 1 Bedroom	50%	\$1,742
4 2 Bedrooms	50%	\$2,091
2 3 Bedrooms	50%	\$2,415
9 1 Bedroom	60%	\$2,091
8 2 Bedrooms	60%	\$2,509
10 3 Bedrooms	60%	\$2,898
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$480,658
Construction Costs	\$41,987,009
Construction Hard Cost Contingency	\$2,030,487
Soft Cost Contingency	\$375,669
Architectural/Engineering	\$2,120,861
Const. Interest, Perm. Financing	\$4,030,121
Legal Fees	\$170,000
Reserves	\$278,175
Other Costs	\$2,800,794
Developer Fee	\$7,678,478
<b>Total</b>	<b>\$61,952,252</b>

**Residential**

Construction Cost Per Square Foot:	\$679
Per Unit Cost:	\$1,126,405
Estimated Hard Per Unit Cost:	\$650,496
True Cash Per Unit Cost*:	\$1,021,341
Bond Allocation Per Unit:	\$566,049
Bond Allocation Per Restricted Rental Unit:	\$576,531

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Silicon Valley Bank: Tax-Exempt	\$31,132,689	Silicon Valley Bank: Tax-Exempt	\$6,606,000
SF MOHCD <sup>1</sup>	\$19,500,000	SF MOHCD <sup>1</sup>	\$19,500,000
Accrued/Deferred Interest	\$890,603	Accrued/Deferred Interest	\$890,603
Deferred Costs	\$1,921,675	General Partner Equity	\$100
General Partner Equity	\$100	Deferred Developer Fee	\$5,778,478
Deferred Developer Fee	\$5,778,478	Tax Credit Equity	\$29,177,071
Tax Credit Equity	\$2,728,707	<b>TOTAL</b>	<b>\$61,952,252</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>San Francisco Mayor's Office of Housing and Community Development

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$58,868,332
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$76,528,832
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,061,153
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,678,478
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.95314

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**

Staff noted a per unit development cost of \$1,021,341. The applicant noted that the per unit cost is attributed to high labor, design, and construction costs; prevailing wages; site slope requiring shoring; and rigorous structural requirements.

Project site will be subdivided into 2 air rights parcels, which has not yet been finalized. The air rights subdivision, legal description, and APN for the project must be completed as part of the placed in service package.

### **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 116.294%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Monterey Family Apartments, located at 6730, 6630, 6680 Monterey Road in Gilroy on a 2.86 acre site, requested and is being recommended for a reservation of \$2,661,199 in annual federal tax credits and \$15,209,048 in total state tax credits and \$28,570,598 of tax-exempt bond cap to finance the new construction of 94 units of housing, consisting of 93 restricted rental units, and 1 unrestricted manager's unit. The project will have 59 two-bedroom units, and 35 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). Monterey Family Apartments will consist of four 3-story buildings with a total of 94 units. It will be a Type V construction with slab-on-grade foundation, wood frame, exterior types will be stucco finish with multiple colors. Common amenities include community room, common areas, laundry, recreational areas, tot-lot, leasing office, exercise room, bicycle storage, playground, picnic area, and computer room. Each unit will have a storage closet, coat closet, central heat and cooling, patio or balcony, refrigerator, stove and oven, dishwasher, and garbage disposal. The construction is expected to begin in February 2025 and be completed in December 2026. The project will be developed by ROEM Development Corporation and will be located in Senate District 17 and Assembly District 30.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-492

**Project Name** Monterey Family Apartments  
Site Address: 6730, 6630, 6680 Monterey Road  
Gilroy, CA 95020  
County: Santa Clara  
Census Tract: 5126.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,661,199	\$15,209,048
Recommended:	\$2,661,199	\$15,209,048

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$28,570,598

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: ROEM West, LLC  
Applicant for State Credits: PACH San Jose Holdings, LLC  
Contact: Lucky Bhardwaj  
Address: 1650 Lafayette Street  
Santa Clara, CA 95050  
Phone: 408-984-5600  
Email: lbhardwaj@roemcorp.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital



**Development Team**

General Partner(s) or Principal Owner(s): PACH San Jose Holdings, LLC  
 Monterey Family Apartments, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Pacific Housing Inc.  
 ROEM West, LLC  
 Developer: ROEM Development Corporation  
 Investor/Consultant: R4 Capital LLC  
 Management Agent: FPI Management Inc

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 4  
 Total # of Units: 94  
 No. / % of Low Income Units: 93 100.00%  
 Average Targeted Affordability: 55.70%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: South and West Bay Region  
 State Ceiling Pool: New Construction  
 Set Aside: Mixed Income Set Aside  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	10	11%
50% AMI:	20	22%
60% AMI:	53	57%
70% AMI*:	10	11%

\*CTCAC restricted only

**Unit Mix**

59 2-Bedroom Units  
 35 3-Bedroom Units  


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 94 Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
6 2 Bedrooms	30%	\$1,204
12 2 Bedrooms	50%	\$2,007
35 2 Bedrooms	60%	\$2,408
6 2 Bedrooms	70%	\$2,810
4 3 Bedrooms	30%	\$1,391
8 3 Bedrooms	50%	\$2,319
18 3 Bedrooms	60%	\$2,783
4 3 Bedrooms	70%	\$3,247
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$5,025,000
Construction Costs	\$30,592,875
Construction Hard Cost Contingency	\$2,865,066
Soft Cost Contingency	\$449,180
Architectural/Engineering	\$2,000,000
Const. Interest, Perm. Financing	\$6,214,920
Legal Fees	\$310,000
Reserves	\$716,899
Other Costs	\$4,642,660
Developer Fee	\$6,651,624
<b>Total</b>	<b>\$59,468,224</b>

**Residential**

Construction Cost Per Square Foot:	\$353
Per Unit Cost:	\$632,641
Estimated Hard Per Unit Cost:	\$283,129
True Cash Per Unit Cost*:	\$586,378
Bond Allocation Per Unit:	\$303,943
Bond Allocation Per Restricted Rental Unit:	\$344,224

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$28,570,598
Citibank: Taxable	\$9,289,490
Citibank: Recycled Tax-Exempt	\$3,500,000
Net Operating Income	\$237,792
Deferred Costs	\$7,348,524
Tax Credit Equity	\$10,521,820

**Permanent Financing**

Source	Amount
CalHFA: Tax-Exempt	\$18,309,000
CalHFA: MIP	\$1,500,000
Net Operating Income	\$237,792
Deferred Developer Fee	\$4,348,698
Tax Credit Equity	\$35,072,734
<b>TOTAL</b>	<b>\$59,468,224</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$51,176,901
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$66,529,971
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,661,199
Total State Credit:	\$15,209,048
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,651,624
Investor/Consultant:	R4 Capital LLC
Federal Tax Credit Factor:	\$0.81500
State Tax Credit Factor:	\$0.88000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 81.619%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 6, 2024**

Vera Avenue Apartments, located at 112 Vera Avenue in Redwood City on a 0.6 acre site, requested and is being recommended for a reservation of \$4,388,644 in annual federal tax credits and \$23,969,101 in total state tax credits and \$45,365,000 of tax-exempt bond cap to finance the new construction of 178 units of housing, consisting of 176 restricted rental units, and 2 unrestricted manager's units. The project will have 25 studio units, and 153 one-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The building will be seven story Type I-A and Type III-A construction. Common amenities include community room, laundry facilities, and fitness center. Each unit will have a refrigerator, and range/oven/cooktop. The construction is expected to begin in January 2025 and be completed in January 2027. The project will be developed by Corporation for Better Housing and will be located in Senate District 13 and Assembly District 21.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-493

**Project Name** Vera Avenue Apartments  
 Site Address: 112 Vera Avenue  
 Redwood City, CA 94061  
 County: San Mateo  
 Census Tract: 6102.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$4,388,644	\$23,969,101
Recommended:	\$4,388,644	\$23,969,101

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
 Recommended: \$45,365,000

**CTCAC Applicant Information**  
 CTCAC Applicant / CDLAC Sponsor: Corporation for Better Housing, a Nonprofit Public Benefit Corp.  
 Contact: Lori Koester  
 Address: 20750 Ventura Blvd., Suite 155  
 Woodland Hills, CA 91364  
 Phone: 818-605-3758  
 Email: lkoester@corpoffices.org

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: U.S. Bank National Association

**Development Team**

General Partner(s) or Principal Owner(s): Corporation for Better Housing, a Nonprofit Public Benefit Corp.  
Summix, LLC

General Partner Type: Joint Venture

Parent Company(ies): Corporation for Better Housing, a Nonprofit Public Benefit Corp.  
Summix, LLC

Developer: Corporation for Better Housing

Investor/Consultant: Walker & Dunlop

Management Agent: WinnResidential California LP

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 178

No. / % of Low Income Units: 176 100.00%

Average Targeted Affordability: 51.54%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted

Geographic Area: South and West Bay Region

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Jake Salle

CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	31	18%
50% AMI:	75	43%
60% AMI:	51	29%
70% AMI*:	19	11%

\*CTCAC restricted only

**Unit Mix**

25 SRO/Studio Units

153 1-Bedroom Units

178 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
5 SRO/Studio	30%	\$975
11 SRO/Studio	50%	\$1,626
6 SRO/Studio	60%	\$1,951
3 SRO/Studio	70%	\$2,276
26 1 Bedroom	30%	\$1,045
64 1 Bedroom	50%	\$1,742
45 1 Bedroom	60%	\$2,091
16 1 Bedroom	70%	\$2,439
2 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$6,150,000
Construction Costs	\$56,830,425
Construction Hard Cost Contingency	\$2,841,522
Soft Cost Contingency	\$790,000
Architectural/Engineering	\$1,902,000
Const. Interest, Perm. Financing	\$10,704,140
Legal Fees	\$280,000
Reserves	\$1,055,300
Other Costs	\$5,449,000
Developer Fee	\$9,840,000
<b>Total</b>	<b>\$95,842,387</b>

**Residential**

Construction Cost Per Square Foot:	\$542
Per Unit Cost:	\$538,440
Estimated Hard Per Unit Cost:	\$280,064
True Cash Per Unit Cost*:	\$496,954
Bond Allocation Per Unit:	\$254,860
Bond Allocation Per Restricted Rental Unit:	\$288,949

**Construction Financing**

<u>Source</u>	<u>Amount</u>
US Bank: Tax-Exempt	\$45,365,000
US Bank: Recycled	\$8,000,000
US Bank: Taxable	\$8,000,000
Tax Credit Equity	\$23,927,622

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA	\$26,102,000
CalHFA: MIP	\$4,000,000
Deferred Developer Fee	\$7,384,621
Tax Credit Equity	\$58,355,766
<b>TOTAL</b>	<b>\$95,842,387</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$84,397,007
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$109,716,109
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,388,644
Total State Credit:	\$23,969,101
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,840,000
Investor/Consultant:	Walker & Dunlop
Federal Tax Credit Factor:	\$0.86000
State Tax Credit Factor:	\$0.86000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 110.044%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Sutter Street, located at 1101-1123 Sutter Street in San Francisco on a 0.68 acre site, requested and is being recommended for a reservation of \$3,620,905 in annual federal tax credits and \$20,400,000 in total state tax credits and \$40,195,709 of tax-exempt bond cap to finance the new construction of 102 units of housing, consisting of 101 restricted rental units, and 1 unrestricted manager's unit. The project will have 8 studio units, 9 one-bedroom units, 43 two-bedroom units, 31 three-bedroom units, and 11 four-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The proposed project will be a Type I construction structure. It will be a 14-story building serviced by one elevator with a steel frame structure on a concrete slab foundation with a flat roof. Common amenities will include bike storage, a business center, a clubhouse, concierge, a courtyard, electric vehicle charging stations, a fitness center, hot tub, intercom (buzzer), a library, limited access, on-site management, perimeter fencing, a pet park, picnic areas, a playground, recreational areas, a rooftop deck, a theatre, video surveillance, and common area Wi-Fi. The project does not include any resident parking. Each unit will include balconies/patios, blinds, carpeting, ceiling fans, central air conditioning, coat closets, dishwashers, disposals, exterior storage, grab bars, microwaves, ovens, refrigerators, tile flooring, and walk-in closets. The construction is expected to begin in February 2025 and be completed in August 2026. The project will be developed by Martin McNerney Development, Inc. and will be located in Senate District 11 and Assembly District 17.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-494

**Project Name** Sutter Street  
Site Address: 1101-1123 Sutter Street  
San Francisco, CA 94109

County: San Francisco  
Census Tract: 120.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,620,905	\$20,400,000
Recommended:	\$3,620,905	\$20,400,000

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$40,195,709

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Kingdom Development, Inc.  
Contact: William Leach  
Address: 6451 Box Springs Blvd.  
Riverside, CA 92507  
Phone: 951-538-6244  
Email: william@kingdomdevelopment.net

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Martin McNerney Development, Inc.  
 Kingdom AK, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Martin McNerney Development, Inc.  
 Kingdom Development Inc.  
 Developer: Martin McNerney Development, Inc.  
 Investor/Consultant: Boston Financial  
 Management Agent: Greystar

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 102  
 No. / % of Low Income Units: 101 100.00%  
 Average Targeted Affordability: 49.57%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted  
 Geographic Area: San Francisco County  
 State Ceiling Pool: New Construction  
 Set Aside: Mixed Income Set Aside  
 CDLAC Project Analyst: Sarah Lester  
 CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	11	11%
50% AMI:	79	78%
70% AMI*:	11	11%

\*CTCAC restricted only

**Unit Mix**

8 SRO/Studio Units  
 9 1-Bedroom Units  
 43 2-Bedroom Units  
 31 3-Bedroom Units  
 11 4-Bedroom Units  


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 102 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 SRO/Studio	50%	\$1,261
1 1 Bedroom	50%	\$1,441
2 2 Bedrooms	50%	\$1,621
7 SRO/Studio	50%	\$1,626
7 1 Bedroom	50%	\$1,742
20 2 Bedrooms	50%	\$2,091
5 2 Bedrooms	30%	\$1,254
11 2 Bedrooms	50%	\$2,091
5 2 Bedrooms	70%	\$2,927
4 3 Bedrooms	30%	\$1,449
23 3 Bedrooms	50%	\$2,415
4 3 Bedrooms	70%	\$3,381
2 4 Bedrooms	30%	\$1,617
7 4 Bedrooms	50%	\$2,695
2 4 Bedrooms	70%	\$3,773
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$11,015,185
Construction Costs	\$49,187,570
Construction Hard Cost Contingency	\$2,422,889
Soft Cost Contingency	\$625,000
Architectural/Engineering	\$3,136,172
Const. Interest, Perm. Financing	\$6,199,560
Legal Fees	\$393,666
Reserves	\$733,198
Other Costs	\$1,723,476
Developer Fee	\$9,082,536
<b>Total</b>	<b>\$84,519,252</b>

**Residential**

Construction Cost Per Square Foot:	\$540
Per Unit Cost:	\$828,620
Estimated Hard Per Unit Cost:	\$414,823
True Cash Per Unit Cost*:	\$761,990
Bond Allocation Per Unit:	\$394,076
Bond Allocation Per Restricted Rental Unit:	\$446,619

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$40,195,709
Citibank: Taxable	\$23,476,586
Deferred Costs	\$13,333,078
Tax Credit Equity	\$7,513,879

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA: Tax-Exempt	\$12,412,020
CalHFA: MIP	\$4,000,000
Master Developer Loan	\$11,500,000
Deferred Developer Fee	\$6,796,258
Tax Credit Equity	\$49,810,974
<b>TOTAL</b>	<b>\$84,519,252</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$69,632,779
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$90,522,613
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,620,905
Total State Credit:	\$20,400,000
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,082,536
Investor/Consultant:	Boston Financial
Federal Tax Credit Factor:	\$0.87979
State Tax Credit Factor:	\$0.88014

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**

Staff noted a per unit development cost of \$761,990. The applicant noted that the per unit cost is attributed to Type I construction costs, interest rates, prevailing wages, and supply chain costs.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 135.571%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

El Camino Real Affordable Apartments, located at 2136 El Camino Real in Oceanside on a 2.03 acre site, requested and is being recommended for a reservation of \$1,964,190 in annual federal tax credits and \$14,729,951 in total state tax credits and \$28,230,921 of tax-exempt bond cap to finance the new construction of 111 units of housing, consisting of 110 restricted rental units, and 1 unrestricted manager's unit. The project will have 56 two-bedroom units, and 55 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The building will be 4 stories and Type V-A construction. Common amenities include courtyard, on-site management, central laundry, and a playground. Each unit will have ceiling fans, dishwashers, disposals, microwaves, ovens, refrigerators, vinyl plank flooring, and wall air conditioning. The construction is expected to begin in March 2025 and be completed in March 2027. The project will be developed by Mirka Investments, LLC and will be located in Senate District 38 and Assembly District 74.

**Project Number** CA-24-497

**Project Name** El Camino Real Affordable Apartments  
Site Address: 2136 El Camino Real  
Oceanside, CA 92054  
County: San Diego  
Census Tract: 185.15

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$1,964,190	\$14,729,951
Recommended:	\$1,964,190	\$14,729,951

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$28,230,921

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Mission Neighborhood Centers, Inc.  
Contact: Kursat Misirlioglu  
Address: 600 B Street, Suite 300  
San Diego, CA 92101  
Phone: (619) 599-3852  
Email: kursatm@mirkainvest.com

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



**Development Team**

General Partner(s) or Principal Owner(s): Mirka Investments, LLC  
 Mission Neighborhood Centers, Inc.  
 General Partner Type: Joint Venture  
 Parent Company(ies): Mirka Investments, LLC  
 Mission Neighborhood Centers, Inc.  
 Developer: Mirka Investments, LLC  
 Investor/Consultant: Richman Group  
 Management Agent: Hyder & Company

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 111  
 No. / % of Low Income Units: 110 100.00%  
 Average Targeted Affordability: 59.65%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: San Diego County  
 State Ceiling Pool: BIPOC  
 CDLAC Project Analyst: Erin Deblaquiere  
 CTCAC Project Analyst: Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	12	11%
50% AMI:	12	11%
60% AMI:	64	58%
80% AMI*:	22	20%

\*CTCAC restricted only

**Unit Mix**

56 2-Bedroom Units  
 55 3-Bedroom Units  


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 111 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
11 2 Bedrooms	80%	\$2,482
32 2 Bedrooms	60%	\$1,861
6 2 Bedrooms	50%	\$1,551
6 2 Bedrooms	30%	\$930
11 3 Bedrooms	80%	\$2,867
32 3 Bedrooms	60%	\$2,150
6 3 Bedrooms	50%	\$1,791
6 3 Bedrooms	30%	\$1,075
1 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$6,268,750
Construction Costs	\$30,977,640
Construction Hard Cost Contingency	\$1,516,782
Soft Cost Contingency	\$315,720
Architectural/Engineering	\$1,330,000
Const. Interest, Perm. Financing	\$5,746,604
Legal Fees	\$395,000
Reserves	\$528,318
Other Costs	\$3,336,492
Developer Fee	\$6,404,967
<b>Total</b>	<b>\$56,820,273</b>

### **Residential**

Construction Cost Per Square Foot:	\$295
Per Unit Cost:	\$511,894
Estimated Hard Per Unit Cost:	\$245,765
True Cash Per Unit Cost*:	\$470,385
Bond Allocation Per Unit:	\$254,333
Bond Allocation Per Restricted Rental Unit:	\$320,806

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$28,230,921
Citibank: Recycled Bonds	\$2,841,014
Citibank: Taxable	\$8,925,744
Deferred Costs	\$3,251,875
Deferred Developer Fee	\$4,607,544
Tax Credit Equity	\$8,963,175

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$22,335,479
Deferred Developer Fee	\$4,607,544
Tax Credit Equity	\$29,877,250
<b>TOTAL</b>	<b>\$56,820,273</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$49,104,747
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$49,104,747
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,964,190
Total State Credit:	\$14,729,951
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,404,967
Investor/Consultant:	Richman Group
Federal Tax Credit Factor:	\$0.84991
State Tax Credit Factor:	\$0.89500

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:**

Pursuant to CTCAC Regulation Section 10326(g)(5), general partners and management companies lacking documented experience with Section 42 requirements using the minimum scoring standards at Section 10325(c)(2)(A) and (B) shall be required to complete training as prescribed by CTCAC prior to a project’s placing in service. The required CTCAC training for the general partner has been completed and the certification of completion has been received by CTCAC.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 87.586%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The Walk Residences, located at 12700 Norwalk Boulevard in Norwalk on a 0.3 acre site, requested and is being recommended for a reservation of \$2,335,628 in annual federal tax credits and \$22,540,611 of tax-exempt bond cap to finance the new construction of 56 units of housing, consisting of 55 restricted rental units, and 1 unrestricted manager's unit. The project will have 32 one-bedroom units, 7 two-bedroom units, and 17 three-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The project will be six-stories of Type I-B construction, resulting in a protected steel construction, elevator-serviced, midrise building. Common amenities include a business center, a clubhouse, elevator service, a fitness center, central laundry, and common area WiFi. Each unit will have furnished bathrooms & kitchens, including balconies/patios, blinds, carpeting, central air conditioning, coat closets, dishwashers, disposals, unit furnishing, microwaves, ovens, refrigerators, and vinyl plank flooring. The construction is expected to begin in February 2025 and be completed in November 2026. The project will be developed by Primestor Development, Inc. and will be located in Senate District 30 and Assembly District 64.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Veterans Housing and Homelessness Prevention (VHHP) program of HCD and Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-500

**Project Name** The Walk Residences  
Site Address: 12700 Norwalk Boulevard  
Norwalk, CA 90650  
County: Los Angeles  
Census Tract: 5523.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,335,628	\$0
Recommended:	\$2,335,628	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$22,540,611

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Residences at the Walk, LP  
Contact: Blake Coddington  
Address: 9950 Jefferson Blvd, Building Two  
Culver City, CA 90323  
Phone: 213-223-5586  
Email: bcoddington@primestor.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Primestor Development, LLC  
 Diversity Builders Alliance, Inc.  
 Kingdom Golden Circle, LLC

General Partner Type: Joint Venture

Parent Company(ies): Primestor Development, Inc.  
 Diversity Builders Alliance, Inc.  
 Kingdom Development, Inc.

Developer: Primestor Development, Inc.

Investor/Consultant: CREA, LLC

Management Agent: Domus Management Company

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 56

No. / % of Low Income Units: 55 100.00%

Average Targeted Affordability: 42.00%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HOME / HUD Section 8 Project-based Vouchers (32 Units - 57%)

**Information**

Housing Type: Non-Targeted

Geographic Area: Balance of Los Angeles County

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Amit Sarang

CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	28	51%
50% AMI:	21	38%
70% AMI*:	6	11%

\*CTCAC restricted only

**Unit Mix**

32 1-Bedroom Units  
 7 2-Bedroom Units  
 17 3-Bedroom Units  


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 56 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
17 1 Bedroom	30%	\$709
15 1 Bedroom	50%	\$1,182
6 2 Bedrooms	30%	\$851
5 3 Bedrooms	30%	\$983
6 3 Bedrooms	50%	\$1,639
6 3 Bedrooms	70%	\$2,295
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$199,943
Construction Costs	\$29,822,676
Construction Hard Cost Contingency	\$1,458,446
Soft Cost Contingency	\$790,000
Architectural/Engineering	\$1,719,742
Const. Interest, Perm. Financing	\$4,102,469
Legal Fees	\$559,000
Reserves	\$733,789
Other Costs	\$1,073,061
Developer Fee	\$7,485,988
<b>Total</b>	<b>\$47,945,114</b>

**Residential**

Construction Cost Per Square Foot:	\$574
Per Unit Cost:	\$856,163
Estimated Hard Per Unit Cost:	\$482,811
True Cash Per Unit Cost*:	\$728,197
Bond Allocation Per Unit:	\$402,511
Bond Allocation Per Restricted Rental Unit:	\$460,012

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$22,540,611
Citibank: Taxable	\$10,964,254
Deferred Developer Fee	\$11,252,884
Tax Credit Equity	\$3,187,365

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA: Tax-Exempt	\$7,680,411
CalHFA: MIP	\$2,800,000
HCD: VHHP	\$7,700,000
City of Norwalk: HOME	\$1,000,000
City of Norwalk: HOME-ARP <sup>1</sup>	\$1,047,149
Deferred Developer Fee	\$7,166,083
Tax Credit Equity	\$20,551,471
<b>TOTAL</b>	<b>\$47,945,114</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP)



**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$44,915,927
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$58,390,705
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,335,628
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,485,988
Investor/Consultant:	CREA, LLC
Federal Tax Credit Factor:	\$0.87991

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**

Staff noted a per unit development cost of \$728,197. The applicant noted that the per unit cost is attributed to increased interest rates, lumber costs, and prevailing wages.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event.** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 116.201%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Maison's Village - Phase II, located at Bell Avenue and Hudsonia Street in Palmdale on a 18.74 acre site, requested and is being recommended for a reservation of \$3,237,659 in annual federal tax credits and \$9,573,068 in total state tax credits and \$34,410,000 of tax-exempt bond cap to finance the new construction of 191 units of housing, consisting of 189 restricted rental units, and 2 unrestricted manager's units. The project will have 64 one-bedroom units, 48 two-bedroom units, 57 three-bedroom units, and 22 four-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The building will be 1 story and wood frame construction with vinyl siding and pitched roofs. Common amenities include a community pool/spa, community room, gym, education/business center, basketball court, playground, and paseo areas. Each unit will have a refrigerator, range/oven, dishwasher, garbage disposal, microwave, and washer/dryer hook-ups. The construction is expected to begin in February 2025 and be completed in September 2026. The project will be developed by Ravello Holdings, Inc. and will be located in Senate District 21 and Assembly District 39.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-502

**Project Name** Maison's Village - Phase II  
Site Address: Bell Avenue and Hudsonia Street  
Palmdale, CA 93552  
County: Los Angeles  
Census Tract: 9107.13

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$3,237,659	\$9,573,068
Recommended:	\$3,237,659	\$9,573,068

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$34,410,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Maison's Palmdale Blvd 150, LP  
Contact: Phil Ram  
Address: 2007 Cedar Avenue  
Manhattan Beach, CA 90266  
Phone: 310-979-3210  
Email: pram@ravelloholdings.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Merchants Bank of Indiana

**Development Team**

General Partner(s) or Principal Owner(s): Ravello MODs Palmdale Blvd 150, LLC  
 AHA High Desert MGP, LLC

General Partner Type: Joint Venture

Parent Company(ies): Ravello Holdings, Inc.  
 Affordable Housing Access, Inc.

Developer: Ravello Holdings, Inc.

Investor/Consultant: WNC

Management Agent: Aperto Property Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 191

Total # of Units: 191

No. / % of Low Income Units: 189 100.00%

Average Targeted Affordability: 59.74%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted

Geographic Area: Balance of Los Angeles County

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	22	12%
50% AMI:	27	14%
60% AMI:	52	28%
70% AMI*:	88	47%

\*CTCAC restricted only

**Unit Mix**

64 1-Bedroom Units

48 2-Bedroom Units

57 3-Bedroom Units

22 4-Bedroom Units

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191 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
7 1 Bedroom	30%	\$709
9 1 Bedroom	50%	\$1,182
18 1 Bedroom	60%	\$1,418
30 1 Bedroom	70%	\$1,655
5 2 Bedrooms	30%	\$851
7 2 Bedrooms	50%	\$1,418
13 2 Bedrooms	60%	\$1,702
21 2 Bedrooms	70%	\$1,986
2 3 Bedrooms	30%	\$983
2 3 Bedrooms	50%	\$1,639
4 3 Bedrooms	60%	\$1,967
7 3 Bedrooms	70%	\$2,295
5 3 Bedrooms	30%	\$983
6 3 Bedrooms	50%	\$1,639
11 3 Bedrooms	60%	\$1,967
20 3 Bedrooms	70%	\$2,295
3 4 Bedrooms	30%	\$1,097
3 4 Bedrooms	50%	\$1,828
6 4 Bedrooms	60%	\$2,194
10 4 Bedrooms	70%	\$2,560
2 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$3,490,000
Construction Costs	\$42,253,396
Construction Hard Cost Contingency	\$3,465,156
Soft Cost Contingency	\$1,389,908
Architectural/Engineering	\$1,600,000
Const. Interest, Perm. Financing	\$5,224,750
Legal Fees	\$645,000
Reserves	\$1,061,398
Other Costs	\$4,854,483
Developer Fee	\$6,500,000
<b>Total</b>	<b>\$70,484,091</b>

## Residential

Construction Cost Per Square Foot:	\$232
Per Unit Cost:	\$369,027
Estimated Hard Per Unit Cost:	\$191,369
True Cash Per Unit Cost*:	\$341,803
Bond Allocation Per Unit:	\$180,157
Bond Allocation Per Restricted Rental Unit:	\$340,693

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Merchant's Capital: Tax-Exempt	\$34,410,000	CalHFA	\$28,500,000
Merchant's Capital: Recycled <sup>1</sup>	\$6,000,000	CalHFA - MIP	\$1,600,000
Merchant's Capital: Equity Bridge	\$6,220,803	Deferred Developer Fee	\$5,199,688
Deferred Costs	\$6,261,086	Solar Equity	\$484,500
Tax Credit Equity	\$17,592,202	Tax Credit Equity	\$34,699,903
		<b>TOTAL</b>	<b>\$70,484,091</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Merchant's Capital: Recycled Tax-Exempt

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$62,262,668
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$80,941,468
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,237,659
Total State Credit:	\$9,573,068
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,500,000
Investor/Consultant:	WNC
Federal Tax Credit Factor:	\$0.85000
State Tax Credit Factor:	\$0.75000

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's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,090. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,594 on agreement of the permanent lender and equity investor.

The applicant anticipates that the water service will be sub-metered and that the tenants will be billed separately for their water usage by a 3rd party company. Accordingly, the units' utility allowances include a component for water. The applicant is aware that sub-metering the water service and direct billing of the tenants by a 3rd party company must follow certain IRS rules in order to be in compliance. In conjunction with the IRS rules, prior to the issuance of the IRS 8609 forms, CTCAC will need to confirm that the water service and tenant billing have been implemented correctly. In addition, the CTCAC Compliance Section will require specific information regarding the master water bill and each tenant's water usage and water bill when they inspect the project.

## **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 106.632%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Julian Street Studios, located at 1271 & 1279 East Julian Street in San Jose on a 0.97 acre site, requested and is being recommended for a reservation of \$6,379,444 in annual federal tax credits and \$36,054,485 in total state tax credits and \$65,400,000 of tax-exempt bond cap to finance the new construction of 305 units of housing, consisting of 301 restricted rental units and 4 manager's units. The project will have 303 studio units, 1 two-bedroom unit, and 1 three-bedroom unit, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). Julian Street Studios will consist of a single seven-story building (5 stories Type III-A over 2 stories Type I-A). Common amenities include a large community room, outdoor patio, fitness room, business center, common area for resident services, bike storage and courtyard. Each unit will have range, frost-free refrigerator, dishwasher, garbage disposal, central heating and air conditioning, granite countertops, closet space, carpeting, vinyl flooring in kitchen and bathrooms. The construction is expected to begin in January 2025 and be completed in January 2027. The project will be developed by Corporation for Better Housing and will be located in Senate District 13 and Assembly District 25.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-503

**Project Name** Julian Street Studios  
Site Address: 1271 & 1279 East Julian Street  
San Jose, CA 95116  
County: Santa Clara  
Census Tract: 5014.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$6,379,444	\$36,054,485
Recommended:	\$6,379,444	\$36,054,485

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$65,400,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: 1271 E. Julian St., L.P.  
Contact: Lori Koester  
Address: 20750 Ventura Boulevard, Suite 155  
Woodland Hills, CA 91364  
Phone: 818-605-3758  
Email: lkoester@corpoffices.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: U.S. Bank National Association

**Development Team**

General Partner(s) or Principal Owner(s): 1271 E. Julian St., L.P.  
 JSL Real Estate Corporation  
 General Partner Type: Joint Venture  
 Parent Company(ies): Corporation for Better Housing, a Nonprofit Public Benefit Corp.  
 JSL Real Estate Corporation  
 Developer: Corporation for Better Housing  
 Investor/Consultant: Walker & Dunlop  
 Management Agent: WinnResidential California LP

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 305  
 No. / % of Low Income Units: 301 100.00%  
 Average Targeted Affordability: 51.03%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted  
 Geographic Area: South and West Bay Region  
 State Ceiling Pool: New Construction  
 Set Aside: Mixed Income Set Aside  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	47	16%
50% AMI:	136	45%
60% AMI:	87	29%
70% AMI*:	31	10%

\*CTCAC restricted only

**Unit Mix**

303 SRO/Studio Units  
 1 2-Bedroom Units  
 1 3-Bedroom Units  


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 305 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
47 SRO/Studio	30%	\$936
136 SRO/Studio	50%	\$1,561
87 SRO/Studio	60%	\$1,873
31 SRO/Studio	70%	\$1,946
2 SRO/Studio	Manager's Unit	\$0
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$7,850,000
Construction Costs	\$80,143,072
Construction Hard Cost Contingency	\$4,007,154
Soft Cost Contingency	\$1,315,000
Architectural/Engineering	\$3,154,800
Const. Interest, Perm. Financing	\$15,343,970
Legal Fees	\$280,000
Reserves	\$1,645,900
Other Costs	\$12,096,420
Developer Fee	\$12,400,000
Commercial Costs	\$0
<b>Total</b>	<b>\$138,236,316</b>

**Residential**

Construction Cost Per Square Foot:	\$557
Per Unit Cost:	\$453,234
Estimated Hard Per Unit Cost:	\$230,495
True Cash Per Unit Cost*:	\$420,426
Bond Allocation Per Unit:	\$214,426
Bond Allocation Per Restricted Rental Unit:	\$242,222

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
US Bank: Tax-Exempt	\$65,400,000	CalHFA: Tax-Exempt	\$38,360,000
US Bank: Recycled Tax-Exempt	\$11,250,000	CalHFA: MIP	\$4,000,000
US Bank: Taxable	\$13,000,000	Deferred Developer Fee	\$10,006,241
Tax Credit Equity	\$35,038,123	Tax Equity Credit	\$85,870,075
		<b>TOTAL</b>	<b>\$138,236,316</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$122,681,616
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$159,486,101
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$6,379,444
Total State Credit:	\$36,054,485
Approved Developer Fee (in Project Cost & Eligible Basis):	\$12,400,000
Investor/Consultant:	Walker & Dunlop
Federal Tax Credit Factor:	\$0.86000
State Tax Credit Factor:	\$0.86000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 103.074%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Monarch, located at 805 R Street in Sacramento on a 1.2 acre site, requested and is being recommended for a reservation of \$5,394,131 in annual federal tax credits and \$8,811,593 in total state tax credits and \$55,161,072 of tax-exempt bond cap to finance the new construction of 241 units of housing, consisting of 239 restricted rental units and 2 unrestricted manager's units. The project will have 82 studio units, 136 one-bedroom units, 22 two-bedroom units, and 1 three-bedroom unit, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The building will be five story Type V over Type I construction. Common amenities include large community room, laundry facilities, fitness room, and bike storage. Each unit will have a refrigerator, and range/oven/cooktop. The construction is expected to begin in February 2025 and be completed in April 2027. The project will be developed by Mutual Housing California and will be located in Senate District 8 and Assembly District 10.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Local Government Matching Grants (LGMG) program of HCD and Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-504

**Project Name** Monarch  
Site Address: 805 R Street  
Sacramento, CA 95811  
County: Sacramento  
Census Tract: 11.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$5,394,131	\$8,811,593
Recommended:	\$5,394,131	\$8,811,593

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$55,161,072

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Mutual Housing California  
Contact: Parker Evans  
Address: 3321 Power Inn Road, Suite 320  
Sacramento, CA 95826  
Phone: 916-453-8400  
Email: parker@mutualhousing.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Banner Bank

**Development Team**

General Partner(s) or Principal Owner(s): 805 R Mutual Housing Association, LLC  
805 R CADA Association, LLC

General Partner Type: Nonprofit

Parent Company(ies): Mutual Housing California  
Capitol Area Community Development Corporation

Developer: Mutual Housing California

Investor/Consultant: Enterprise Housing Credit Investments

Management Agent: Mutual Housing Management

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 241

No. / % of Low Income Units: 239 100.00%

Average Targeted Affordability: 55.02%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (20 Units - 8%)

**Information**

Housing Type: Non-Targeted

Geographic Area: Capital Region

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

Homeless Set Aside Units: 20

CDLAC Project Analyst: Jake Salle

CTCAC Project Analyst: Jacob Paixao

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	24	10%
50% AMI:	75	31%
60% AMI:	112	47%
70% AMI*:	28	12%

\*CTCAC restricted only

**Unit Mix**

82 SRO/Studio Units

136 1-Bedroom Units

22 2-Bedroom Units

1 3-Bedroom Units

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241 Total Units



<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
13 SRO/Studio	30%	\$563
4 SRO/Studio	30%	\$563
7 1 Bedroom	30%	\$603
25 SRO/Studio	50%	\$938
44 1 Bedroom	50%	\$1,005
6 2 Bedrooms	50%	\$1,206
39 SRO/Studio	60%	\$1,126
64 1 Bedroom	60%	\$1,206
9 2 Bedrooms	60%	\$1,447
1 SRO/Studio	70%	\$1,314
21 1 Bedroom	70%	\$1,407
6 2 Bedrooms	70%	\$1,688
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

### Project Cost Summary at Application

Land and Acquisition	\$29,811
Construction Costs	\$80,122,487
Construction Hard Cost Contingency	\$4,006,124
Soft Cost Contingency	\$360,060
Architectural/Engineering	\$1,514,534
Const. Interest, Perm. Financing	\$10,378,264
Legal Fees	\$88,845
Reserves	\$1,035,405
Other Costs	\$4,907,534
Developer Fee	\$6,921,980
Commercial Costs	\$1,297,136
<b>Total</b>	<b>\$110,662,180</b>

### Residential

Construction Cost Per Square Foot:	\$468
Per Unit Cost:	\$453,428
Estimated Hard Per Unit Cost:	\$307,369
True Cash Per Unit Cost*:	\$435,310
Bond Allocation Per Unit:	\$228,884
Bond Allocation Per Restricted Rental Unit:	\$261,427

### Construction Financing

Source	Amount
Banner Bank: Tax-Exempt	\$55,161,072
Banner Bank: Taxable	\$17,946,361
HCD: LGMG	\$10,000,000
CACDC <sup>1</sup>	\$8,000,000
City of Sacramento	\$3,000,000
Accrued Deferred Interest	\$321,725
Deferred Costs	\$2,890,001
Deferred Developer Fee	\$4,421,980
Renewable Energy Tax Credit Equity	\$548,275
Tax Credit Equity	\$8,372,766

### Permanent Financing

Source	Amount
CalHFA: Tax-Exempt	\$22,089,000
CalHFA: MIP	\$4,000,000
HCD: LGMG	\$10,000,000
CACDC <sup>1</sup>	\$8,000,000
City of Sacramento	\$3,000,000
Accrued Deferred Interest	\$321,725
Net Operating Income	\$442,916
MHC <sup>2</sup> : General Partner Loan	\$568,875
MHC <sup>2</sup> : General Partner Loan	\$586,800
Deferred Developer Fee	\$4,421,980
Renewable Energy Tax Credit Equity	\$548,275
Tax Credit Equity	\$56,682,609
<b>TOTAL</b>	<b>\$110,662,180</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Capitol Area Community Development Corporation

<sup>2</sup>Mutual Housing California

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$103,733,292
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$134,853,280
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,394,131
Total State Credit:	\$8,811,593
Approved Developer Fee in Project Cost:	\$6,921,980
Approved Developer Fee in Eligible Basis:	\$6,833,155
Investor/Consultant:	Enterprise Housing Credit Investments
Federal Tax Credit Factor:	\$0.90747
State Tax Credit Factor:	\$0.87755

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’s annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$5,100. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$4,818 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 79.418%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 831 Water Street, located at 823 - 833 Water Street in Santa Cruz on a 0.91 acre site, requested and is being recommended for a reservation of \$4,227,025 in annual federal tax credits and \$12,477,384 in total state tax credits and \$50,273,157 of tax-exempt bond cap to finance the new construction of 140 units of housing, consisting of 135 restricted rental units, 4 market-rate units, and 1 unrestricted manager's unit. The project will have 64 studio units, 54 one-bedroom units, 19 two-bedroom units, and 3 three-bedroom units, serving special needs tenants with rents affordable to households earning 30%-80% of area median income (AMI). The proposed project will consist of two elevator serviced buildings, one 4-story building consisting of 71 units and a second 5-story building consisting of 69 units. The type of construction structure will be Type V wood frame. The existing commercial buildings will need to be demolished in order for the Project to be developed. Common amenities include a large community room, business center/computer lab, courtyard, laundry facilities, lobby and mail room, management and on-site services offices, exercise facility and roof decks with open space. The Project will provide a total of 44 parking spaces. Each unit will have a refrigerator, range/oven, microwave, balconies/patios, blinds, carpeting, vinyl flooring and coat closets. The construction is expected to begin in January 2025 and be completed in October 2026. The project will be developed by Novin Development Corp. and will be located in Senate District 17 and Assembly District 28.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-509

**Project Name** 831 Water Street  
Site Address: 823 - 833 Water Street  
Santa Cruz, CA 95060  
County: Santa Cruz  
Census Tract: 1002.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$4,227,025	\$12,477,384
Recommended:	\$4,227,025	\$12,477,384

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$50,273,157

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: 831 Water Street LP  
Applicant for State Credits: 831 Water Street LP  
Contact: Iman Novin  
Address: 1990 North California Boulevard, Suite 800  
Walnut Creek, CA 94596  
Phone: 925-344-6244  
Email: inovin@novindevelopment.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser:	Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s):	831 Water Street LLC Central Valley Coalition for Affordable Housing Novin Development LLC
General Partner Type:	Joint Venture
Parent Company(ies):	Noving Development Corp Central Valley Coalition for Affordable Housing
Developer:	Novin Development Corp.
Investor/Consultant:	CREA LLC
Management Agent:	FPI Management

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	2	
Total # of Units:	140	
No. / % of Low Income Units:	135	97.12%
Average Targeted Affordability:	58.96%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HUD Project-based Vouchers (64 Units - 47%)	

**Information**

Housing Type:	Special Needs
Geographic Area:	Central Coast Region
State Ceiling Pool:	New Construction
Set Aside:	Mixed Income Set Aside
Homeless Set Aside Units:	34
CDLAC Project Analyst:	Sarah Lester
CTCAC Project Analyst:	Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	41	30%
50% AMI:	23	17%
60% AMI:	5	4%
80% AMI*:	66	49%

\*CTCAC restricted only

**Unit Mix**

64 SRO/Studio Units
54 1-Bedroom Units
19 2-Bedroom Units
<u>3 3-Bedroom Units</u>
140 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
22 SRO/Studio	30%	\$864
10 SRO/Studio	50%	\$1,441
32 SRO/Studio	80%	\$2,306
17 1 Bedroom	30%	\$926
10 1 Bedroom	50%	\$1,544
27 1 Bedroom	80%	\$2,470
2 2 Bedrooms	30%	\$1,112
3 2 Bedrooms	50%	\$1,853
5 2 Bedrooms	60%	\$2,224
5 2 Bedrooms	80%	\$2,965
2 3 Bedrooms	80%	\$3,426
1 2 Bedrooms	Manager's Unit	\$0
3 2 Bedrooms	Market Rate Unit	\$3,941
1 3 Bedrooms	Market Rate Unit	\$4,900

**Project Cost Summary at Application**

Land and Acquisition	\$10,792,440
Construction Costs	\$60,210,913
Construction Hard Cost Contingency	\$3,239,132
Soft Cost Contingency	\$725,184
Relocation	\$313,088
Architectural/Engineering	\$1,780,686
Const. Interest, Perm. Financing	\$7,833,786
Legal Fees	\$205,464
Reserves	\$1,209,944
Other Costs	\$2,209,620
Developer Fee	\$11,151,393
Commercial Costs	<u>\$1,696,896</u>
<b>Total</b>	<b>\$101,368,546</b>

**Residential**

Construction Cost Per Square Foot:	\$685
Per Unit Cost:	\$711,940
Estimated Hard Per Unit Cost:	\$375,120
True Cash Per Unit Cost*:	\$607,775
Bond Allocation Per Unit:	\$359,094
Bond Allocation Per Restricted Rental Unit:	\$728,596

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citi: Tax-Exempt	\$50,273,157	CalHFA: Tax-Exempt	\$32,668,423
Citi: Taxable	\$22,015,297	CalHFA: MIP	\$4,000,000
Seller Carryback	\$6,900,000	Seller Carryback	\$6,900,000
Tax Credit Equity	\$9,973,746	Deferred Developer Fee	\$7,931,393
		Tax Credit Equity	\$49,868,730
		<b>TOTAL</b>	<b>\$101,368,546</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$85,494,011
130% High Cost Adjustment:	Yes
Applicable Fraction:	97.12%
Qualified Basis:	\$107,943,877
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,227,025
Total State Credit:	\$11,528,843
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,151,393
Investor/Consultant:	CREA LLC
Federal Tax Credit Factor:	\$0.92000
State Tax Credit Factor:	\$0.88000

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:**

The applicant's estimate of contractor profit, overhead and general requirement costs exceeds CTCAC limit of 14%. The applicant is cautioned that at final review, prior to the issuance of the IRS 8609 forms, any costs or eligible basis that exceeds the limits will not be allowed.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).



<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 80.008%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Costa Mesa M6, located at 2274 Newport Boulevard in Costa Mesa on a 1.17 acre site, requested and is being recommended for a reservation of \$1,904,479 in annual federal tax credits and \$23,185,979 of tax-exempt bond cap to finance the adaptive reuse of 87 units of housing, consisting of 86 restricted rental units, and 1 unrestricted manager's unit. The project has 86 studio units, and 1 two-bedroom unit, serving tenants with rents affordable to households earning 30%-50% of area median income (AMI). The building will be four 2-story buildings and Type V-A construction with wood frame and stucco exterior. Common amenities include laundry rooms, community TV lounge and game room, computer business center, dog park, community room with demonstration & warming kitchen, podium deck, fitness room, bicycle parking and storage, community garden, on-site property management office and on-site supportive services providers. Each unit will have refrigerator, range/oven, microwave. The rehabilitation is expected to begin in December 2024 and be completed in January 2026. The project will be developed by Community Development Partners and is located in Senate District 37 and Assembly District 73.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-511

**Project Name** Costa Mesa M6  
Site Address: 2274 Newport Boulevard  
Costa Mesa , CA 92627  
County: Orange  
Census Tract: 632.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,904,479	\$0
Recommended:	\$1,904,479	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$23,185,979

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Costa Mesa M6 LP  
Contact: Teresa Pakalski  
Address: 3416 Via Oporto, Ste 301  
Newport Beach, CA 92663  
Phone: 262-4903939  
Email: teresa@communitydevpartners.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Statewide Communities Development Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): CDP Costa Mesa M6 LLC  
 CM Mercy House CHDO LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Community Development Partners  
 Mercy House CHDO, Inc.  
 Developer: Community Development Partners  
 Investor/Consultant: R4 Capital  
 Management Agent: FPI Management

**Project Information**

Construction Type: Adaptive Reuse  
 Total # Residential Buildings: 4  
 Total # of Units: 87  
 No. / % of Low Income Units: 86 100.00%  
 Average Targeted Affordability: 40.69%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (40 Units - 47%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Orange County  
 Set Aside: Homeless Set Aside  
 Homeless Set Aside Units: 40  
 CDLAC Project Analyst: Erin Deblaquiere  
 CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	40	47%
50% AMI:	46	53%

**Unit Mix**

86 SRO/Studio Units
1 2-Bedroom Units
<b>87 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
40 SRO/Studio	30%	\$753
46 SRO/Studio	50%	\$1,256
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$20,050,000
Construction Costs	\$12,310,804
Construction Hard Cost Contingency	\$1,270,813
Soft Cost Contingency	\$155,169
Architectural/Engineering	\$437,000
Const. Interest, Perm. Financing	\$2,824,646
Legal Fees	\$250,000
Reserves	\$383,526
Other Costs	\$926,362
Developer Fee	\$5,459,521
<b>Total</b>	<b>\$44,067,841</b>

**Residential**

Construction Cost Per Square Foot:	\$383
Per Unit Cost:	\$506,527
Estimated Hard Per Unit Cost:	\$124,126
True Cash Per Unit Cost*:	\$386,746
Bond Allocation Per Unit:	\$266,506
Bond Allocation Per Restricted Rental Unit:	\$269,604

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$23,185,979
City of Costa Mesa	\$2,350,000
County of Orange	\$5,350,000
Seller Carryback	\$7,432,200
Cal Optima Grant	\$1,000,000
Deferred Costs	\$383,526
Deferred Developer Fee	\$2,633,073
Tax Credit Equity	\$1,733,063

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$5,870,000
City of Costa Mesa	\$2,350,000
County of Orange	\$5,350,000
Orange County: HFT <sup>1</sup>	\$1,746,191
Seller Carryback	\$7,432,200
Cal Optima Grant	\$1,000,000
Deferred Developer Fee	\$2,988,696
Tax Credit Equity	\$17,330,754
<b>TOTAL</b>	<b>\$44,067,841</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Orange County: Housing Finance Trust

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$19,201,327
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$22,655,000
Applicable Fraction:	100.00%
Qualified Basis:	\$24,961,725
Qualified Basis (Acquisition):	\$22,655,000
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$998,279
Maximum Annual Federal Credit, Acquisition:	\$906,200
Total Maximum Annual Federal Credit:	\$1,904,479
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,459,521
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.91000

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 121.118%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Residency at Sky Village Hollywood - Phase I, located at 5645 Fernwood Avenue in Los Angeles on a 0.37 acre site, requested and is being recommended for a reservation of \$7,113,617 in annual federal tax credits and \$74,000,000 of tax-exempt bond cap to finance the new construction of 237 units of housing, consisting of 235 restricted rental units, and 2 unrestricted manager's units. The project will have 99 studio units, and 138 one-bedroom units, serving special needs tenants with rents affordable to households earning 30%-80% of area median income (AMI). The building will be a 17-story Type I Elevator-Serviced highrise. Common amenities include a community room, decking, garden, picnic area, and laundry rooms. Each unit will include wall air conditioning, grab bars, handrails, and vinyl plank flooring. Kitchen appliances will include ovens and refrigerators. The construction is expected to begin in February 2025 and be completed in June 2027. The project will be developed by ABS Properties Inc. and will be located in Senate District 11 and Assembly District 17.

The project will be receiving rental assistance in the form of The People Concern Project-based Contract.

**Project Number** CA-24-515

**Project Name** Residency at Sky Village Hollywood - Phase I  
Site Address: 5645 Fernwood Avenue  
Los Angeles, CA 90028  
County: Los Angeles  
Census Tract: 1909.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$7,113,617	\$0
Recommended:	\$7,113,617	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$74,000,000

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: Residency at Sky Village I, LP  
Contact: Samir Srivastava  
Address: 5500 Hollywood Boulevard  
Los Angeles, CA 90028  
Phone: 323 464 7853  
Email: samir@absllc.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Greystone Housing Impact Investors, L.P.

**Development Team**

General Partner(s) or Principal Owner(s): ABS Properties Inc.  
Kingdom Development Inc  
General Partner Type: Joint Venture  
Developer: ABS Properties Inc.  
Investor/Consultant: Boston Financial Investment Mgmt  
Management Agent: Hyder Property Management Professionals

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 237  
 No. / % of Low Income Units: 235 100.00%  
 Average Targeted Affordability: 47.74%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Special Needs  
 Geographic Area: City of Los Angeles  
 State Ceiling Pool: New Construction  
 Set Aside: Homeless Set Aside  
 Homeless Set Aside Units: 117  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	117	50%
50% AMI:	53	23%
70% AMI*:	14	6%
80% AMI*:	51	22%

\*CTCAC restricted only

**Unit Mix**

99 SRO/Studio Units  
 138 1-Bedroom Units  


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 237 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
55 SRO/Studio	30%	\$662
19 SRO/Studio	50%	\$1,103
6 SRO/Studio	70%	\$1,544
18 SRO/Studio	80%	\$1,765
62 1 Bedroom	30%	\$709
34 1 Bedroom	50%	\$1,182
8 1 Bedroom	70%	\$1,655
33 1 Bedroom	80%	\$1,891
1 SRO/Studio	Manager's Unit	\$0
1 1 Bedroom	Manager's Unit	\$0



## Project Cost Summary at Application

Land and Acquisition	\$11,544,000
Construction Costs	\$77,297,425
Construction Hard Cost Contingency	\$3,864,871
Soft Cost Contingency	\$1,250,000
Architectural/Engineering	\$3,006,000
Const. Interest, Perm. Financing	\$19,810,860
Legal Fees	\$290,000
Reserves	\$3,450,000
Other Costs	\$7,980,866
Developer Fee	\$22,800,054
<b>Total</b>	<b>\$151,294,076</b>

## Residential

Construction Cost Per Square Foot:	\$403
Per Unit Cost:	\$638,372
Estimated Hard Per Unit Cost:	\$282,850
True Cash Per Unit Cost*:	\$559,934
Bond Allocation Per Unit:	\$312,236
Bond Allocation Per Restricted Rental Unit:	\$435,294

### Construction Financing

Source	Amount
CalHFA/GreyStone: Tax-Exempt	\$74,000,000
CalHFA/GreyStone: Recycled	\$24,000,000
CalHFA/GreyStone: Taxable	\$12,000,000
Seller Carryback	\$1,529,556
Deferred Costs	\$7,349,871
Deferred Developer Fee	\$19,300,054
Tax Credit Equity	\$13,114,595

### Permanent Financing

Source	Amount
GreyStone	\$64,004,311
Seller Carryback	\$1,529,556
Deferred Developer Fee	\$17,060,054
General Partner Equity	\$2,543,517
Tax Credit Equity	\$66,156,638
<b>TOTAL</b>	<b>\$151,294,076</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

## Determination of Credit Amount(s)

Requested Eligible Basis:	\$136,800,328
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$177,840,426
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$7,113,617
Approved Developer Fee (in Project Cost & Eligible Basis):	\$22,800,054
Investor/Consultant:	Boston Financial Investment Mgmt
Federal Tax Credit Factor:	\$0.93000
State Tax Credit Factor:	\$0.73000

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

The project anticipates receiving a 20-year Project Based Contract from The People Concern for 170 of the 235 tax-credit units in 2027.

## **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

## **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	<b>120</b>	<b>110</b>	<b>119</b>

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 123.140%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Residency at Sky Village Hollywood - Phase II, located at 5645 Fernwood Avenue in Los Angeles on a 0.37 acre site, requested and is being recommended for a reservation of \$6,781,717 in annual federal tax credits and \$2,595,782 in total state tax credits and \$71,000,000 of tax-exempt bond cap to finance the new construction of 245 units of housing, consisting of 242 restricted rental units and 3 unrestricted manager's units. The project will have 103 studio units, and 142 one-bedroom units, serving special needs tenants with rents affordable to households earning 30%-80% of area median income (AMI). The building will be 17 stories and Type I construction. Common amenities include a community room, decking, a garden, picnic area, and laundry rooms on all residential floors. Each unit will have a refrigerator and a range/oven. The construction is expected to begin in February 2025 and be completed in June 2027. The project will be developed by ABS Properties Inc. and will be located in Senate District 11 and Assembly District 17.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

**Project Number** CA-24-516

**Project Name** Residency at Sky Village Hollywood - Phase II  
Site Address: 5645 Fernwood Avenue  
Los Angeles, CA 90028  
County: Los Angeles  
Census Tract: 1909.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$6,781,717	\$2,595,782
Recommended:	\$6,781,717	\$2,595,782

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$71,000,000

**CTCAC Applicant Information**  
Applicant: Residency at Sky Village II, LP  
Contact: Samir Srivastava  
Address: 5500 Hollywood Blvd  
Los Angeles, CA 90028  
Phone: 323 464 7853  
Email: samir@absllc.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Greystone Housing Impact Investors, L.P.

**Development Team**

General Partner(s) or Principal Owner(s): ABS Properties Inc.  
 Kingdom Development Inc.

General Partner Type: Joint Venture

Parent Company(ies): ABS Properties Inc.  
 Kingdom Development Inc.

Developer: ABS Properties Inc.

Investor/Consultant: Boston Financial Investment Mgmt

Management Agent: Hyder Property Management Professionals

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 245

No. / % of Low Income Units: 242 100.00%

Average Targeted Affordability: 50.00%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HUD Project-based Contract (147 Units - 61%)

**Information**

Housing Type: Special Needs

Geographic Area: City of Los Angeles

State Ceiling Pool: New Construction

Set Aside: Homeless Set Aside

Homeless Set Aside Units: 121

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	121	50%
50% AMI:	26	11%
70% AMI*:	43	18%
80% AMI*:	52	21%

\*CTCAC restricted only

**Unit Mix**

103 SRO/Studio Units

142 1-Bedroom Units

245 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
51 SRO/Studio	30%	\$662
13 SRO/Studio	50%	\$1,103
17 SRO/Studio	70%	\$1,544
20 SRO/Studio	80%	\$1,765
70 1 Bedroom	30%	\$709
13 1 Bedroom	50%	\$1,182
26 1 Bedroom	70%	\$1,655
32 1 Bedroom	80%	\$1,891
2 SRO/Studio	Manager's Unit	\$2,750
1 1 Bedroom	Manager's Unit	\$3,072

### **Project Cost Summary at Application**

Land and Acquisition	\$11,600,000
Construction Costs	\$74,669,320
Construction Hard Cost Contingency	\$3,733,466
Soft Cost Contingency	\$1,250,000
Architectural/Engineering	\$3,086,934
Const. Interest, Perm. Financing	\$18,802,500
Legal Fees	\$290,000
Reserves	\$3,401,811
Other Costs	\$6,810,648
Developer Fee	\$21,736,273
<b>Total</b>	<b>\$145,380,952</b>

### **Residential**

Construction Cost Per Square Foot:	\$389
Per Unit Cost:	\$593,392
Estimated Hard Per Unit Cost:	\$264,224
True Cash Per Unit Cost*:	\$521,611
Bond Allocation Per Unit:	\$289,796
Bond Allocation Per Restricted Rental Unit:	\$482,993

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Greystone: Tax-Exempt	\$71,000,000
Greystone: Recycled Tax-Exempt	\$22,000,000
Greystone: Taxable	\$15,218,581
General Partner Equity	\$3,250,000
Deferred Developer Fee	\$15,836,273
Tax Credit Equity	\$18,076,098

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
Greystone: Tax-Exempt	\$59,579,790
Seller Carryback	\$1,750,000
General Partner Equity	\$3,250,000
Deferred Developer Fee	\$15,836,273
Tax Credit Equity	\$64,964,889
<b>TOTAL</b>	<b>\$145,380,952</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$130,417,641
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$169,542,933
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$6,781,717
Total State Credit:	\$2,595,782
Approved Developer Fee (in Project Cost & Eligible Basis):	\$21,736,273
Investor/Consultant:	Boston Financial Investment Mgmt
Federal Tax Credit Factor:	\$0.93000
State Tax Credit Factor:	\$0.73000

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's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,110. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,200 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).



<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 125.045%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

View at San Bruno, located at 840 San Bruno Avenue West in San Bruno on a 1.57 acre site, requested and is being recommended for a reservation of \$10,871,877 in annual federal tax credits and \$125,000,000 of tax-exempt bond cap to finance the new construction of 341 units of housing, consisting of 337 restricted rental units, and 4 unrestricted manager's units. The project will have 86 one-bedroom units, 169 two-bedroom units, and 86 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The building will be 10 stories and Type I construction. Common amenities include a community room, bike parking, green space and an outdoor BBQ area. Each unit will have Energy Star appliances, energy efficient lighting, storage closets, assigned parking, air conditioning, and be network-ready. The construction is expected to begin in January 2024 and be completed in June 2027. The project will be developed by JEMCOR Development Partners, LLC and will be located in Senate District 13 and Assembly District 21.

**Project Number** CA-24-521

**Project Name** View at San Bruno  
Site Address: 840 San Bruno Avenue West  
San Bruno, CA 94066  
County: San Mateo  
Census Tract: 6041.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$10,871,877	\$0
Recommended:	\$10,871,877	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$125,000,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: JEMCOR Development Partners, LLC  
Contact: Jonathan Emami  
Address: 1700 S. El Camino Real, Suite 400  
San Mateo, CA 94402  
Phone: 415-941-5832  
Email: jemami@jemcorparkers.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Berkadia Commercial Mortgage LLC

**Development Team**

General Partner(s) or Principal Owner(s): JS IV View at San Bruno, LLC  
PACH San Jose Holdings, LLC

General Partner Type: Joint Venture

Parent Company(ies): JEMCOR Development Partners, LLC  
Pacific Housing, Inc.

Developer: JEMCOR Development Partners, LLC

Investor/Consultant: Berkadia

Management Agent: FPI Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 2

Total # of Units: 341

No. / % of Low Income Units: 337 100.00%

Average Targeted Affordability: 59.94%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family

Geographic Area: South and West Bay Region

State Ceiling Pool: New Construction

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	34	10%
50% AMI:	34	10%
60% AMI:	135	40%
70% AMI*:	134	40%

\*CTCAC restricted only

**Unit Mix**

86 1-Bedroom Units

169 2-Bedroom Units

86 3-Bedroom Units

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341 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
9 1 Bedroom	30%	\$1,045
8 1 Bedroom	50%	\$1,742
35 1 Bedroom	60%	\$2,091
34 1 Bedroom	70%	\$2,439
17 2 Bedrooms	30%	\$1,254
17 2 Bedrooms	50%	\$2,091
66 2 Bedrooms	60%	\$2,509
66 2 Bedrooms	70%	\$2,927
8 3 Bedrooms	30%	\$1,449
9 3 Bedrooms	50%	\$2,415
34 3 Bedrooms	60%	\$2,898
34 3 Bedrooms	70%	\$3,381
3 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$21,501,900
Construction Costs	\$137,529,939
Construction Hard Cost Contingency	\$6,679,814
Soft Cost Contingency	\$606,128
Architectural/Engineering	\$3,843,000
Const. Interest, Perm. Financing	\$18,661,744
Legal Fees	\$600,000
Reserves	\$2,081,843
Other Costs	\$17,917,549
Developer Fee	\$27,273,323
<b>Total</b>	<b>\$236,695,240</b>

### **Residential**

Construction Cost Per Square Foot:	\$442
Per Unit Cost:	\$694,121
Estimated Hard Per Unit Cost:	\$342,224
True Cash Per Unit Cost*:	\$615,572
Bond Allocation Per Unit:	\$366,569
Bond Allocation Per Restricted Rental Unit:	\$615,764

<b><u>Construction Financing</u></b>		<b><u>Permanent Financing</u></b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Berkadia: Tax-Exempt	\$125,000,000	Berkadia: Tax-Exempt	\$105,000,000
Berkadia: Taxable	\$22,928,167	Deferred Costs	\$4,948,010
Berkadia: Recycled Tax-Exempt	\$20,000,000	Net Operating Income	\$3,638,429
Deferred Costs	\$4,948,010	General Partner Equity	\$5,000,000
Deferred Reserves	\$2,081,843	Deferred Developer Fee	\$26,785,031
Net Operating Income	\$3,638,429	Tax Credit Equity	\$91,323,770
General Partner Equity	\$5,000,000	<b>TOTAL</b>	<b>\$236,695,240</b>
Deferred Developer Fee	\$27,273,323		
Tax Credit Equity	\$25,825,468		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$209,095,474
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$271,824,116
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$10,871,877
Approved Developer Fee (in Project Cost & Eligible Basis):	\$27,273,323
Investor/Consultant:	Berkadia
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**

Staff noted a per unit development cost of \$694,293. The applicant noted that the per unit cost is attributed to the large size and Type I concrete construction costs.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 85.647%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

St. Luke's Affordable, located at 30th Street & Gunn Street in San Diego on a 0.2 acre site, requested and is being recommended for a reservation of \$1,162,991 in annual federal tax credits and \$3,839,198 in total state tax credits and \$16,750,000 of tax-exempt bond cap to finance the new construction of 78 units of housing, consisting of 77 restricted rental units, and 1 unrestricted manager's unit. The project will have 38 studio units, 33 one-bedroom units, and 7 two-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). St. Luke's Affordable will be an 8-story building with the first through third floors being Type I concrete slab-on-grade foundation and fourth through eighth floor utilizing Type III wood frame construction. The exterior will include stucco, metal, and concrete. Common amenities include a laundry room, an outdoor courtyard area, bicycle storage, a conference room, parcel lockers, and a community room with an outdoor patio on the eighth floor. The building will be all-electric, and will have solar PV panels serving the common spaces. Each unit will have a refrigerator, oven, microwave, dishwasher and sink with garbage disposal. The construction is expected to begin in January 2025 and be completed in August 2026. The project will be developed by Rise Urban Partners LLC and will be located in Senate District 39 and Assembly District 78.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-522

**Project Name** St. Luke's Affordable  
Site Address: 30th Street & Gunn Street  
San Diego, CA 92104  
County: San Diego  
Census Tract: 14.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$1,162,991	\$3,839,198
Recommended:	\$1,162,991	\$3,839,198

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$16,750,000

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Rise 30th St LP  
Contact: Rob Morgan  
Address: 3525 Del Mar Heights Road #211  
San Diego , CA 92130  
Phone: 619-540-2859  
Email: rob@trestlebuild.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital

**Development Team**

General Partner(s) or Principal Owner(s): Rise 30th St LLC  
 AOF SD MGP, LLC

General Partner Type: Joint Venture

Parent Company(ies): Rise Urban Partners, LLC

Developer: Rise Urban Partners LLC

Investor/Consultant: Redstone Equity Partners

Management Agent: Aperto Property Management

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 78

No. / % of Low Income Units: 77 100.00%

Average Targeted Affordability: 53.89%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Non-Targeted

Geographic Area: San Diego County

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Brandon Medina

CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	8	10%
50% AMI:	36	47%
60% AMI:	20	26%
70% AMI*:	13	17%

\*CTCAC restricted only

**Unit Mix**

38 SRO/Studio Units

33 1-Bedroom Units

7 2-Bedroom Units

78 Total Units



<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
4 SRO/Studio	30%	\$724
13 SRO/Studio	50%	\$1,206
10 SRO/Studio	60%	\$1,447
11 SRO/Studio	70%	\$1,688
3 1 Bedroom	30%	\$775
19 1 Bedroom	50%	\$1,292
8 1 Bedroom	60%	\$1,550
2 1 Bedroom	70%	\$1,809
1 2 Bedrooms	30%	\$931
4 2 Bedrooms	50%	\$1,551
2 2 Bedrooms	60%	\$1,861
1 1 Bedroom	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,200,000
Construction Costs	\$20,899,381
Construction Hard Cost Contingency	\$1,507,989
Soft Cost Contingency	\$345,000
Architectural/Engineering	\$1,343,000
Const. Interest, Perm. Financing	\$2,193,421
Legal Fees	\$160,000
Reserves	\$380,000
Other Costs	\$1,895,823
Developer Fee	\$4,124,529
Commercial Costs	\$622,072
<b>Total</b>	<b>\$35,671,215</b>

**Residential**

Construction Cost Per Square Foot:	\$404
Per Unit Cost:	\$449,348
Estimated Hard Per Unit Cost:	\$233,936
True Cash Per Unit Cost*:	\$410,865
Bond Allocation Per Unit:	\$214,744
Bond Allocation Per Restricted Rental Unit:	\$261,719

**Construction Financing**

Source	Amount
Citi Community Capital: Tax-Exempt	\$16,750,000
General Partner Loan	\$7,500,000
Accrued Interest	\$600,000
Deferred Developer Fee	\$3,054,916
Tax Credit Equity	\$7,894,997

**Permanent Financing**

Source	Amount
CalHFA: Tax-Exempt	\$7,158,175
CalHFA: MIP	\$3,900,000
General Partner Loan	\$7,500,000
Accrued Interest	\$600,000
Deferred Developer Fee	\$3,054,916
Tax Credit Equity	\$13,458,124
<b>TOTAL</b>	<b>\$35,671,215</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$29,074,785
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$29,074,785
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,162,991
Total State Credit:	\$3,839,198
Approved Developer Fee in Project Cost:	\$4,124,529
Approved Developer Fee in Eligible Basis:	\$2,200,000
Investor/Consultant:	Redstone Equity Partners
Federal Tax Credit Factor:	\$0.87000
State Tax Credit Factor:	\$0.87000

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's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,100. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,554 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 83.490%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Auburn Falls, located at six sites (see below) in Sacramento County on a total of 5.95 acres, requested and is being recommended for a reservation of \$2,027,079 in annual federal tax credits and \$28,376,305 of tax-exempt bond cap to finance the acquisition & rehabilitation of 104 units of housing, consisting of 99 restricted rental units and 5 market-rate units. The project has 18 one-bedroom units, 46 two-bedroom units, and 40 three-bedroom units, serving tenants with rents affordable to households earning 40%-80% of area median income (AMI). The renovations will include building exterior/interior upgrades. Building exterior renovations will consist of stucco repairs, roof replacement, window replacements and a fresh coat of paint. Interior renovations will include laundry room, leasing office and community room upgrades. Individual apartment units will be updated with a new appliance package, countertops, cabinets, fixtures, paint and electrical updates. Lastly, common or site area renovations will consist of concrete repairs, asphalt replacement, ADA updates. The construction is expected to begin in December 2024 and be completed in December 2025. The project will be developed by Sacramento Housing Authority Repositioning Program, Inc. (SHARP) and is located in Senate District 6 and Assembly District 7.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers & HUD Rental Assistance Demonstration (RAD).

<b>Project Number</b>	CA-24-524	
<b>Project Name</b>	Auburn Falls	
Site Address:	Site 1	Site 2
	5735 Engle Road	6010 – 6046 Northcrest Circle
	Carmichael, CA 95608	Carmichael, CA 95608
	County: Sacramento	County: Sacramento
	Census Tract: 76.02	Census Tract: 79.03
	Site 3	Site 4
	6054 Shupe Drive	7501 Sunset Avenue
	Citrus Heights, CA 95621	Fair Oaks, CA 95628
	County: Sacramento	County: Sacramento
	Census Tract: 81.19	Census Tract: 80.07
	Site 5	
	7500 Tiara Way	
	Citrus Heights, CA 95610	
	County: Sacramento	
	Census Tract: 81.40	

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,027,079	\$0
Recommended:	\$2,027,079	\$0

<b>Tax-Exempt Bond Allocation</b>	
Recommended:	\$28,376,305

**CTCAC Applicant Information**

CTCAC Applicant/CDLAC Sponsor: Sacramento Housing Authority Repositioning Program (SHARP)  
Contact: James Shields, President  
Address: 801 12th Street  
Sacramento, CA 95814  
Phone: (916) 444-9120  
Email: jshields@shra.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: Housing Authority of County of Sacramento  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital

**Development Team**

General Partner(s) or Principal Owner(s): Auburn Falls, LLC  
General Partner Type: Nonprofit  
Parent Company(ies): SHARP  
Developer: Sacramento Housing Authority Repositioning Program, Inc.  
Investor/Consultant: RBC Community Investments  
Management Agent: Housing Authority of the County of Sacramento

**Project Information**

Construction Type: Acquisition & Rehabilitation  
Total # Residential Buildings: 22  
Total # of Units: 104  
No. / % of Low Income Units: 99 95.19%  
Average Targeted Affordability: 47.47%  
Federal Set-Aside Elected: 40%/60% Average Income  
Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (42 Units - 40%) / HUD RAD Section 8 Project-based Vouchers (62 Units - 60%)

**Information**

Housing Type: Non-Targeted  
Geographic Area: Capital Region  
State Ceiling Pool: Preservation  
Set Aside: N/A  
Homeless Set Aside Units: N/A  
CDLAC Project Analyst: Jake Salle  
CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
40% AMI:	20	20%
50% AMI:	65	66%
60% AMI:	11	11%
80% AMI*:	3	3%

\*CTCAC restricted only

**Unit Mix**

18	1-Bedroom Units
46	2-Bedroom Units
40	3-Bedroom Units
<hr/>	
104	Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 1 Bedroom	40%	\$769
13 2 Bedrooms	50%	\$962
27 3 Bedrooms	50%	\$1,393
6 1 Bedroom	40%	\$804
1 1 Bedroom	50%	\$844
1 1 Bedroom	80%	\$844
6 2 Bedrooms	50%	\$1,206
6 3 Bedrooms	60%	\$1,672
1 2 Bedrooms	40%	\$954
12 2 Bedrooms	50%	\$1,206
6 2 Bedrooms	40%	\$965
1 2 Bedrooms	80%	\$1,930
6 1 Bedroom	50%	\$769
5 2 Bedrooms	60%	\$1,447
1 2 Bedrooms	80%	\$1,930
1 3 Bedrooms	40%	\$1,115
5 3 Bedrooms	40%	\$1,115
1 1 Bedroom	Market Rate Unit	\$699
1 2 Bedrooms	Market Rate Unit	\$882
1 3 Bedrooms	Market Rate Unit	\$1,283
2 1 Bedroom	Market Rate Unit	\$699

**Project Cost Summary at Application**

Land and Acquisition	\$22,850,000
Rehabilitation Costs	\$16,095,586
Construction Hard Cost Contingency	\$2,414,338
Soft Cost Contingency	\$342,961
Relocation	\$1,236,049
Architectural/Engineering	\$825,000
Const. Interest, Perm. Financing	\$2,846,839
Legal Fees	\$765,000
Reserves	\$1,288,845
Other Costs	\$1,172,147
Developer Fee	\$6,983,504
<b>Total</b>	<b>\$56,820,269</b>

**Residential**

Construction Cost Per Square Foot:	\$167
Per Unit Cost:	\$546,349
Estimated Hard Per Unit Cost:	\$132,846
True Cash Per Unit Cost*:	\$409,071
Bond Allocation Per Unit:	\$272,849
Bond Allocation Per Restricted Rental Unit:	\$292,539

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$28,376,305	CitiBank	\$9,094,000
HACOS <sup>1</sup> : Seller Carryback	\$13,239,254	HACOS <sup>1</sup> : Seller Carryback	\$13,239,254
City of Citrus Heights: HTF <sup>3</sup>	\$562,665	HACOS <sup>1</sup> : Seller Note	\$9,048,080
Accrued Interest	\$540,051	SHARP <sup>2</sup>	\$1,800,000
Deferred Developer Fee	\$3,365,863	City of Citrus Heights: HTF <sup>3</sup>	\$562,666
Tax Credit Equity	\$3,587,658	Accrued Interest	\$834,474
		General Partner Loan	\$3,365,863
		Deferred Developer Fee	\$1,037,641
		Tax Credit Equity	\$17,838,291
		<b>TOTAL</b>	<b>\$56,820,269</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Housing Authority of the County of Sacramento

<sup>2</sup>Sacramento Housing Authority Repositioning Program

<sup>3</sup>Housing Trust Fund

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$27,164,022
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$26,376,177
Applicable Fraction:	95.19%
Qualified Basis (Rehabilitation):	\$25,858,059
Qualified Basis (Acquisition):	\$25,108,092
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$1,022,755
Maximum Annual Federal Credit, Acquisition:	\$1,004,324
Total Maximum Annual Federal Credit:	\$2,027,079
Approved Developer Fee (in Project Cost & Eligible Basis):	\$6,983,504
Investor/Consultant:	RBC Community Investments
Federal Tax Credit Factor:	\$0.88000

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 substantial rehabilitation of 22 buildings across five scattered-sites. This acquisition/rehabilitation project has a pre-existing Section 8 Project-based Contract in effect for all sites.

At placed-in-service, any units not occupied by income-qualified tenants will be not considered tax credit units and the applicable fraction will be adjusted accordingly. However, these units will be rent-restricted at 60% of area median income (AMI) in the recorded CTCAC regulatory agreement in order to meet the scattered-site requirement of Section 42(g)(7) of the Internal Revenue Code. The recorded CTCAC regulatory agreement will also require that upon turnover the unit(s) must be occupied by income-qualified tenants.

Per CTCAC Regulation Section 10325(f)(7)(J), in lieu of 5 managers' units, the project has committed to employ an equivalent number of on-site full-time property management staff and provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. All staff or contractors performing desk or security work shall be knowledgeable of how the property's fire system operates and be trained in, and have participated in, fire evacuation drills for tenants. CTCAC reserves the right to require that one or more on-site managers' units be provided and occupied by property management staff if, in its sole discretion, it determines as part of any on-site inspection that the project has not been adequately operated and/or maintained.

### **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

Point Criteria	New Const. Max. Points	Rehabilitation Max. Points	Points Scored
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 154.209%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Kindred, located at 1501 6th Avenue in San Diego on a 0.69 acre site, requested and is being recommended for a reservation of \$4,425,081 in annual federal tax credits and \$17,271,066 in total state tax credits and \$45,819,803 of tax-exempt bond cap to finance the new construction of 126 units of housing, consisting of 125 restricted rental units and 1 unrestricted manager's unit. The project will have 89 one-bedroom units, 19 two-bedroom units, and 18 three-bedroom units, serving special needs tenants with rents affordable to households earning 30%-60% of area median income (AMI). The proposed project will consist of one 8-story building with 5 levels of Type III over 3 levels of Type I construction partially above grade with a retaining wall on the east side and portions of the north and south sides. Common amenities include two large community rooms with full kitchens, seating and a media area, outdoor open spaces on two large decks, a community garden, barbecue grills with tables and benches, two play structures, laundry facilities, management offices, a central mailing room, services offices and a conference room. Each unit will have energy efficient ranges, refrigerators, dishwashers, HVAC system, dual pane windows, low VOC paints and mobility features. The construction is expected to begin in February 2025 and be completed in November 2026. The project will be developed by BRIDGE Housing Corporation and will be located in Senate District 39 and Assembly District 77.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-525

**Project Name** Kindred  
Site Address: 1501 6th Avenue  
San Diego, CA 92101  
County: San Diego  
Census Tract: 56.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$4,425,081	\$17,271,066
Recommended:	\$4,425,081	\$17,271,066

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$45,819,803

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: BRIDGE Housing Corporation  
Contact: Cristina Martinez  
Address: 600 California Street, Suite 900  
San Francisco, CA 94108  
Phone: 619.677.5828  
Email: cmartinez@bridgehousing.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer:	California Housing Finance Agency
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Private Placement Purchaser:	JP Morgan Chase Bank, N. A.

**Development Team**

General Partner(s) or Principal Owner(s):	Kindred Cortez Hill LLC
General Partner Type:	Nonprofit
Parent Company(ies):	BRIDGE Housing Corporation
Developer:	BRIDGE Housing Corporation
Investor/Consultant:	California Housing Partnership
Management Agent:	BRIDGE Property Management Company

**Project Information**

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	126	
No. / % of Low Income Units:	125	100.00%
Average Targeted Affordability:	40.40%	
Federal Set-Aside Elected:	40%/60%	
Federal Subsidy:	Tax-Exempt / HUD Section 8 Project-based Vouchers (84 Units - 67%)	

**Information**

Housing Type:	Special Needs
Geographic Area:	San Diego County
State Ceiling Pool:	New Construction
Set Aside:	Homeless Set Aside
Homeless Set Aside Units:	63
CDLAC Project Analyst:	Sarah Lester
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	63	50%
40% AMI:	22	18%
50% AMI:	12	10%
60% AMI:	28	22%

**Unit Mix**

89 1-Bedroom Units
19 2-Bedroom Units
<u>18 3-Bedroom Units</u>
126 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
59 1 Bedroom	30%	\$775
4 1 Bedroom	40%	\$1,034
7 1 Bedroom	50%	\$1,292
5 1 Bedroom	60%	\$1,551
2 2 Bedrooms	30%	\$930
3 2 Bedrooms	40%	\$1,241
2 2 Bedrooms	50%	\$1,551
11 2 Bedrooms	60%	\$1,861
2 3 Bedrooms	30%	\$1,075
1 3 Bedrooms	40%	\$1,433
3 3 Bedrooms	50%	\$1,791
12 3 Bedrooms	60%	\$2,150
14 1 Bedroom	40%	\$1,034
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$90,360
Construction Costs	\$54,876,009
Construction Hard Cost Contingency	\$5,449,181
Soft Cost Contingency	\$573,393
Architectural/Engineering	\$3,675,777
Const. Interest, Perm. Financing	\$8,983,202
Legal Fees	\$190,881
Reserves	\$902,092
Other Costs	\$4,596,970
Developer Fee	\$11,273,799
Commercial Costs	\$1,492,383
<b>Total</b>	<b>\$92,104,047</b>

**Residential**

Construction Cost Per Square Foot:	\$492
Per Unit Cost:	\$719,140
Estimated Hard Per Unit Cost:	\$395,840
True Cash Per Unit Cost*:	\$654,695
Bond Allocation Per Unit:	\$363,649
Bond Allocation Per Restricted Rental Unit:	\$366,558

**Construction Financing**

<u>Source</u>	<u>Amount</u>
Chase: Tax-Exempt	\$45,819,803
Chase: Recycled Tax-Exempt	\$1,500,000
Chase: Taxable	\$12,074,984
County of San Diego	\$3,600,000
San Diego Housing Commission	\$7,160,040
Deferred Costs	\$2,909,291
Deferred Developer Fee	\$8,253,799
Tax Credit Equity	\$10,786,130

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
Chase: Tax-Exempt	\$17,154,000
County of San Diego	\$4,000,000
San Diego Housing Commission	\$7,955,600
Deferred Developer Fee	\$8,253,799
Tax Credit Equity	\$54,740,648
<b>TOTAL</b>	<b>\$92,104,047</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$85,097,712
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$110,627,026
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,425,081
Total State Credit:	\$17,271,066
Approved Developer Fee (in Project Cost & Eligible Basis):	\$11,273,799
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.90530
State Tax Credit Factor:	\$0.85000

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**

Staff noted a per unit development cost of \$654,695. The applicant noted that this cost is attributed to prevailing wage costs, new shoring, potential contaminated soil, commercial costs and hard cost escalation.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event.** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 88.461%



**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 910 Wetherly Drive, located at 910-916 Wetherly Drive in West Hollywood on a 0.33 acre site, requested and is being recommended for a reservation of \$2,856,287 in annual federal tax credits and \$34,351,295 of tax-exempt bond cap to finance the new construction of 89 units of housing, consisting of 86 restricted rental units, 2 market-rate units, and 1 unrestricted manager's unit. The project will have 62 studio units, 20 one-bedroom units, 6 two-bedroom units, and 1 three-bedroom unit, serving tenants with rents affordable to households earning 20%-80% of area median income (AMI). The building will be 6 stories and Type III construction modified wood-frame construction over 2 levels Type I concrete podium. Common amenities include lobby, community room, laundry facilities, management offices, fitness center, resident services offices and automotive & bicycle parking. Each unit will have refrigerator, range/oven, garbage disposal, blinds, laminate flooring, central air conditioning, exterior storage, and ceiling fans. The construction is expected to begin in October 2024 and be completed in October 2026. The project will be developed by West Hollywood Community Housing Corporation and will be located in Senate District 24 and Assembly District 51.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Multifamily Housing Program (MHP) and Infill Infrastructure Grant (IIG) programs of HCD.

**Project Number** CA-24-527

**Project Name** 910 Wetherly Drive  
Site Address: 910-916 Wetherly Drive  
West Hollywood, CA 90069  
County: Los Angeles  
Census Tract: 7005.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,856,287	\$0
Recommended:	\$2,856,287	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$34,351,295

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: WHCHC Wetherly L.P.  
Contact: Jesse Slansky  
Address: 7530 Santa Monica Boulevard  
West Hollywood, CA 90046  
Phone: 323-650-8771  
Email: jesse@whchc.org

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

**Development Team**

General Partner(s) or Principal Owner(s): Wetherly Palms, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): WHCHC  
 Developer: West Hollywood Community Housing Corporation  
 Investor/Consultant: National Equity Fund (NEF)  
 Management Agent: Barker Management, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 89  
 No. / % of Low Income Units: 86 100.00%  
 Average Targeted Affordability: 57.92%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt / HUD Project-based Vouchers (9 Units - 10%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 CDLAC Project Analyst: Erin Deblaquiere  
 CTCAC Project Analyst: Franklin Cui

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	23	27%
50% AMI:	2	2%
60% AMI:	30	35%
80% AMI*:	31	36%

\*CTCAC restricted only

**Unit Mix**

62 SRO/Studio Units  
 20 1-Bedroom Units  
 6 2-Bedroom Units  
 1 3-Bedroom Units  


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 89 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
9 SRO/Studio	20%	\$441
13 SRO/Studio	30%	\$662
30 SRO/Studio	60%	\$1,324
1 1 Bedroom	30%	\$709
10 SRO/Studio	80%	\$1,766
2 1 Bedroom	50%	\$1,182
16 1 Bedroom	80%	\$1,891
5 2 Bedrooms	80%	\$2,270
1 2 Bedrooms	Manager's Unit	\$0
1 1 Bedroom	Market Rate Unit	\$0
1 3 Bedrooms	Market Rate Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$3,255,000
Construction Costs	\$40,505,500
Construction Hard Cost Contingency	\$4,000,000
Soft Cost Contingency	\$615,220
Architectural/Engineering	\$2,415,500
Const. Interest, Perm. Financing	\$7,103,216
Legal Fees	\$225,000
Reserves	\$330,488
Other Costs	\$3,328,497
Developer Fee	\$7,721,987
<b>Total</b>	<b>\$69,500,408</b>

### **Residential**

Construction Cost Per Square Foot:	\$844
Per Unit Cost:	\$780,903
Estimated Hard Per Unit Cost:	\$405,680
True Cash Per Unit Cost*:	\$769,668
Bond Allocation Per Unit:	\$385,970
Bond Allocation Per Restricted Rental Unit:	\$624,569

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Citi: Tax-Exempt	\$34,351,295
Citi: Taxable	\$11,414,400
HCD: IIG	\$4,334,400
City of West Hollywood	\$10,000,000
Deferred Costs	\$5,579,655
Deferred Developer Fee	\$1,250,000
Tax Credit Equity	\$2,570,658

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
JLL Real Estate: Tax-Exempt	\$6,557,861
HCD: IIG	\$4,334,400
HCD: MHP	\$17,679,580
City of West Hollywood	\$10,000,000
General Partner Equity	\$4,221,987
Deferred Developer Fee	\$1,000,000
Tax Credit Equity	\$25,706,580
<b>TOTAL</b>	<b>\$69,500,408</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$60,954,010
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$79,240,213
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,856,287
Approved Developer Fee (in Project Cost & Eligible Basis):	\$7,721,987
Investor/Consultant:	National Equity Fund (NEF)
Federal Tax Credit Factor:	\$0.90000
State Tax Credit Factor:	\$0.87000

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’s annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$6,300. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,520 on agreement of the permanent lender and equity investor.

Staff noted a per-unit cost of \$769,668. The applicant noted factors for this cost include increased land costs in West Hollywood location, comparatively high developer fees, increased interest rates, increased construction material costs, subterranean parking elements, and prevailing wages & sustainability features.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 60.690%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

La Costa Family Apartments, located at La Costa Avenue & Camino de las Coches in Carlsbad on a 0.16 acre site, requested and is being recommended for a reservation of \$521,698 in annual federal tax credits and \$3,009,494 in total state tax credits and \$5,116,651 of tax-exempt bond cap to finance the new construction of 19 units of housing, consisting of 19 restricted rental units. The project will have 5 one-bedroom units, 8 two-bedroom units, and 6 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The building will be Type I construction, a single 3-story building with Spanish style exterior and TOP roofing. Common amenities include a leasing office and a community area to foster a sense of community among families and service providers. In addition, the project will also include an outdoor recreational space. Each unit will include blinds, vinyl laminate flooring, wall air conditioning units, closets, and ceiling fans. Appliances will include a stove/oven, refrigerator, garbage disposal, and dishwashers. The construction is expected to begin in February 2025 and be completed in March 2026. The project will be developed by Mirka Investments, LLC and will be located in Senate District 38 and Assembly District 77.

**Project Number** CA-24-528

**Project Name** La Costa Family Apartments  
Site Address: La Costa Avenue & Camino de las Coches  
Carlsbad, CA 92009  
County: San Diego  
Census Tract: 171.09

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$521,698	\$3,009,494
Recommended:	\$521,698	\$3,009,494

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$5,116,651

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Mirka Investments, LLC  
Applicant for State Credits: Mission Neighborhood Centers  
Contact: Kursat Misirlioglu  
Address: 600 B Street, Suite 300  
San Diego, CA 92101  
Phone: (619) 599-3852  
Email: kursatm@mirkainvest.com

**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 Partner(s) or Principal Owner(s): Mirka Investments, LLC  
 Mission Neighborhood Centers  
 General Partner Type: Joint Venture  
 Parent Company(ies): Mirka Investments, LLC  
 Mission Neighborhood Centers San Francisco  
 Developer: Mirka Investments, LLC  
 Investor/Consultant: Richman Group  
 Management Agent: Hyder & Company

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 19  
 No. / % of Low Income Units: 19  
 Average Targeted Affordability: 56.85%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: San Diego County  
 State Ceiling Pool: BIPOC  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	3	16%
50% AMI:	3	16%
60% AMI:	10	53%
80% AMI*:	3	16%

\*CTCAC restricted only



**Unit Mix**

5	1-Bedroom Units
8	2-Bedroom Units
6	3-Bedroom Units
<hr/>	
19	Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
1 1 Bedroom	80%	\$2,068
2 1 Bedroom	60%	\$1,551
1 1 Bedroom	50%	\$1,292
1 1 Bedroom	30%	\$775
1 2 Bedrooms	80%	\$2,482
5 2 Bedrooms	60%	\$1,861
1 2 Bedrooms	50%	\$1,551
1 2 Bedrooms	30%	\$930
1 3 Bedrooms	80%	\$2,867
3 3 Bedrooms	60%	\$2,150
1 3 Bedrooms	50%	\$1,791
1 3 Bedrooms	30%	\$1,075

**Project Cost Summary at Application**

Land and Acquisition	\$10,001
Construction Costs	\$5,740,820
Construction Hard Cost Contingency	\$273,541
Soft Cost Contingency	\$96,649
Architectural/Engineering	\$313,541
Const. Interest, Perm. Financing	\$1,740,526
Legal Fees	\$375,000
Reserves	\$81,437
Other Costs	\$718,865
Developer Fee	\$1,308,606
<b>Total</b>	<b>\$10,658,986</b>

**Residential**

Construction Cost Per Square Foot:	\$314
Per Unit Cost:	\$560,999
Estimated Hard Per Unit Cost:	\$264,820
True Cash Per Unit Cost*:	\$544,775
Bond Allocation Per Unit:	\$269,297
Bond Allocation Per Restricted Rental Unit:	\$319,791

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Citibank: Tax-Exempt	\$5,116,651	Citibank: Tax-Exempt	\$3,238,297
Citibank: Recycled Tax-Exempt	\$532,949	Deferred Developer Fee	\$308,252
Citibank: Taxable	\$868,048	Tax Credit Equity	\$7,112,437
Deferred Costs	\$988,111	<b>TOTAL</b>	<b>\$10,658,986</b>
Deferred Developer Fee	\$308,252		
Tax Credit Equity	\$2,844,975		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$10,032,649
130% High Cost Adjustment:	Yes
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$521,698
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,308,606
Investor/Consultant:	Richman Group
Federal Tax Credit Factor:	\$0.84991
State Tax Credit Factor:	\$0.89000

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**

Pursuant to CTCAC Regulation Section 10326(g)(5), general partners and management companies lacking documented experience with Section 42 requirements using the minimum scoring standards at Section 10325(c)(2)(A) and (B) shall be required to complete training as prescribed by CTCAC prior to a project’s placing in service.

As allowed by CTCAC Regulation Section 10325(f)(7)(J), in lieu of 1 manager's unit, the project has committed to employ an equivalent number of on-site full-time property management staff and provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. All staff or contractors performing desk or security work shall be knowledgeable of how the property’s fire system operates and be trained in, and have participated in, fire evacuation drills for tenants. CTCAC reserves the right to require that one or more on-site managers’ units be provided and occupied by property management staff if, in its sole discretion, it determines as part of any on-site inspection that the project has not been adequately operated and/or maintained.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 76.793%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
 Project Staff Report  
 Qualified Private Activity Tax-Exempt Bond Project  
 August 6, 2024**

Casa Adelante 1515 South Van Ness, located at 1515 South Van Ness Avenue in San Francisco on a 0.82 acre site, requested and is being recommended for a reservation of \$7,697,150 in annual federal tax credits and \$82,142,319 of tax-exempt bond cap to finance the new construction of 168 units of housing, consisting of 167 restricted rental units, and 1 unrestricted manager's unit. The project will have 15 studio units, 32 one-bedroom units, 77 two-bedroom units, and 44 three-bedroom units, serving families with rents affordable to households earning 20%-60% of area median income (AMI). The building will be 9 stories and Type I construction. Common amenities include a community room with a kitchen, teen recreation room, computer lab, an early learning center, co-working space, and a mix of outdoor spaces. Each unit will have a refrigerator, range/oven, and dishwasher. The construction is expected to begin in January 2025 and be completed in January 2027. The project will be developed by Chinatown Community Development Center and will be located in Senate District 11 and Assembly District 17.

The project financing includes state funding from the Multifamily Housing Program (MHP) of HCD.

**Project Number** CA-24-535

**Project Name** Casa Adelante 1515 South Van Ness  
 Site Address: 1515 South Van Ness Avenue  
 San Francisco, CA 94110  
 County: San Francisco  
 Census Tract: 229.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$7,697,150	\$0
Recommended:	\$7,697,150	\$0

**Tax-Exempt Bond Allocation**  
 Recommended: \$82,142,319

**CTCAC Applicant Information**  
 CTCAC Applicant / CDLAC Sponsor: Casa Adelante SVN Housing, L.P.  
 Contact: Angelina Perez  
 Address: 615 Grant Avenue  
 San Francisco, CA 94108  
 Phone: (415) 935-2458  
 Email: angelina.perez@chinatowncdc.org

**Bond Financing Information**  
 CDLAC Applicant/Bond Issuer: City and County of San Francisco  
 Bond Counsel: Jones Hall, A Professional Law Corporation  
 Private Placement Purchaser: JPMorgan Chase Bank, NA

**Development Team**

General Partner(s) or Principal Owner(s): CCDC Casa Adelante SVN LLC  
MEDA Casa Adelante SVN LLC

General Partner Type: Nonprofit

Parent Company(ies): Chinatown Community Development Corporation (CCDC)  
Mission Economic Development Corporation (MEDA)

Developer: Chinatown Community Development Center

Investor/Consultant: California Housing Partnership

Management Agent: Chinatown Community Development Center

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 168

No. / % of Low Income Units: 167 100.00%

Average Targeted Affordability: 33.16%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family

Geographic Area: San Francisco County

Set Aside: Extremely Low/Very Low Income Set Aside

Homeless Set Aside Units: 42

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	59	35%
40% AMI:	10	6%
50% AMI:	80	48%
60% AMI:	18	11%

**Unit Mix**

15 SRO/Studio Units
32 1-Bedroom Units
77 2-Bedroom Units
<u>44 3-Bedroom Units</u>
168 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
16 1 Bedroom	20%	\$358
11 2 Bedrooms	20%	\$390
13 3 Bedrooms	20%	\$421
1 2 Bedrooms	30%	\$390
1 3 Bedrooms	30%	\$421
13 SRO/Studio	30%	\$756
4 1 Bedroom	30%	\$865
10 1 Bedroom	40%	\$1,153
15 2 Bedrooms	50%	\$1,621
15 3 Bedrooms	50%	\$1,801
39 2 Bedrooms	50%	\$1,945
6 3 Bedrooms	50%	\$2,161
2 SRO/Studio	50%	\$1,261
2 1 Bedroom	50%	\$1,441
1 2 Bedrooms	50%	\$1,621
9 2 Bedrooms	60%	\$2,334
9 3 Bedrooms	60%	\$2,594
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,634,188
Construction Costs	\$117,912,855
Construction Hard Cost Contingency	\$7,574,274
Soft Cost Contingency	\$1,707,112
Architectural/Engineering	\$3,671,536
Const. Interest, Perm. Financing	\$17,619,795
Legal Fees	\$736,038
Reserves	\$743,697
Other Costs	\$4,483,613
Developer Fee	\$3,500,000
Commercial Costs	<u>\$2,847,754</u>
<b>Total</b>	<b>\$163,430,862</b>

## Residential

Construction Cost Per Square Foot:	\$615
Per Unit Cost:	\$955,456
Estimated Hard Per Unit Cost:	\$656,462
True Cash Per Unit Cost*:	\$952,533
Bond Allocation Per Unit:	\$488,942
Bond Allocation Per Restricted Rental Unit:	\$491,870

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Chase Bank: Tax-Exempt	\$82,142,319	Chase Bank: Tax-Exempt	\$4,749,000
Chase Bank: Taxable	\$21,645,336	City & County of San Francisco	\$45,360,000
City & County of San Francisco	\$45,360,000	HCD: MHP	\$37,930,397
Accrued Interest	\$458,900	Accrued Interest	\$458,900
Deferred Developer Fee	\$500,000	General Partner Contribution	\$500,000
Deferred Costs	\$2,521,297	Deferred Developer Fee	\$500,000
Tax Credit Equity	\$10,803,010	Tax Credit Equity	\$73,932,565
		<b>TOTAL</b>	<b>\$163,430,862</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$148,022,106
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$192,428,738
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$7,697,150
Approved Developer Fee in Project Cost:	\$3,500,000
Approved Developer Fee in Eligible Basis:	\$3,433,576
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.96052

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

The total land cost/acquisition cost of \$2,685,148 in the sources and uses budget excludes the land value of \$13,200,000. The project is a ground lease.

Staff noted a per unit development cost of \$952,533. The applicant noted that the per unit cost is attributed to prevailing wage and local hiring requirements, soil conditions, site-specific structural requirements, demolition cost, Calle 24 design requirements, SF Arts commission, logistics coordination, contractor's general conditions and fee, commercial costs, and construction loan interest.



Per CTCAC Regulation Section 10325(f)(7)(J), in lieu of 1 manager's unit, the project has committed to employ an equivalent number of on-site full-time property management staff and provide an equivalent number of desk or security staff capable of responding to emergencies for the hours when property management staff is not working. All staff or contractors performing desk or security work shall be knowledgeable of how the property's fire system operates and be trained in, and have participated in, fire evacuation drills for tenants. CTCAC reserves the right to require that one or more on-site managers' units be provided and occupied by property management staff if, in its sole discretion, it determines as part of any on-site inspection that the project has not been adequately operated and/or maintained.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 167.464%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

North City Affordable, located at 337 East Carmel Street in San Marcos on a 3.23 acre site, requested and is being recommended for a reservation of \$5,385,018 in annual federal tax credits and \$20,581,563 in total state tax credits and \$55,700,000 of tax-exempt bond cap to finance the new construction of 224 units of housing, consisting of 222 restricted rental units and 2 unrestricted manager's units. The project will have 16 studio units, 82 one-bedroom units, 66 two-bedroom units, and 60 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The building will be a 4-story Type V wood-frame construction. Common amenities include a community room, co-work area, fitness, a large outdoor courtyard area with community pavilion, children’s play equipment, seating areas, multiple laundry rooms, bicycle storage, a conference room, and parcel lockers. Each unit will have a refrigerator, oven, microwave, dishwasher, and sink with garbage disposal. The construction is expected to begin in January 2025 and be completed in January 2027. The project will be developed by Carmel Enterprise, LLC and will be located in Senate District 40 and Assembly District 76.

The project financing includes state funding from the Mixed-Income Program (MIP) through CalHFA.

**Project Number** CA-24-539

**Project Name** North City Affordable  
Site Address: 337 East Carmel Street  
San Marcos, CA 92078

County: San Diego  
Census Tract: 203.10

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$5,385,018	\$20,581,563
Recommended:	\$5,385,018	\$20,581,563

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$55,700,000

**CTCAC Applicant Information**

CTCAC Applicant/CDLAC Sponsor: Rise Carmel LP  
Contact: Rob Morgan  
Address: 5550 Carmel Mountain Rd. #204  
San Diego , CA 92130

Phone: 619-540-2859  
Email: rob@trestlebuild.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital

**Development Team**

General Partner(s) or Principal Owner(s): Rise Carmel LLC  
 AOF SD MGP, LLC

General Partner Type: Joint Venture

Parent Company(ies): Trestle Build  
 AOF/Pacific Affordable Housing Corp.

Developer: Carmel Enterprise, LLC

Investor/Consultant: Red Stone Equity Partners

Management Agent: Aperto Property Management

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 1

Total # of Units: 224

No. / % of Low Income Units: 222 100.00%

Average Targeted Affordability: 55.23%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family

Geographic Area: San Diego County

State Ceiling Pool: New Construction

Set Aside: Mixed Income Set Aside

CDLAC Project Analyst: Brandon Medina

CTCAC Project Analyst: Cynthia Compton

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	30	14%
50% AMI:	86	39%
60% AMI:	36	16%
70% AMI*:	70	32%

\*CTCAC restricted only

**Unit Mix**

16 SRO/Studio Units

82 1-Bedroom Units

66 2-Bedroom Units

60 3-Bedroom Units

224 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
7 SRO/Studio	30%	\$723
9 SRO/Studio	50%	\$1,206
9 1 Bedroom	30%	\$775
63 1 Bedroom	50%	\$1,292
10 1 Bedroom	60%	\$1,551
7 2 Bedrooms	30%	\$930
7 2 Bedrooms	50%	\$1,551
17 2 Bedrooms	60%	\$1,861
33 2 Bedrooms	70%	\$2,171
7 3 Bedrooms	30%	\$1,075
7 3 Bedrooms	50%	\$1,791
9 3 Bedrooms	60%	\$2,150
37 3 Bedrooms	70%	\$2,508
2 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$160,000
Construction Costs	\$80,349,380
Construction Hard Cost Contingency	\$4,001,219
Soft Cost Contingency	\$1,136,000
Architectural/Engineering	\$3,786,978
Const. Interest, Perm. Financing	\$6,610,176
Legal Fees	\$215,000
Reserves	\$1,344,000
Other Costs	\$8,492,476
Developer Fee	\$14,775,000
<b>Total</b>	<b>\$120,870,229</b>

### **Residential**

Construction Cost Per Square Foot:	\$354
Per Unit Cost:	\$539,599
Estimated Hard Per Unit Cost:	\$321,942
True Cash Per Unit Cost*:	\$476,707
Bond Allocation Per Unit:	\$248,661
Bond Allocation Per Restricted Rental Unit:	\$366,447

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
Citi: Tax-Exempt	\$55,700,000
Citi: Taxable	\$12,500,000
CalHFA: Recycled Tax-Exempt	\$4,000,000
Carmel Enterprise, LLC	\$7,000,000
Deferred Developer Fee	\$14,087,832
Tax Credit Equity	\$27,582,397

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
CalHFA: Tax-Exempt	\$31,026,780
CalHFA: MIP	\$4,000,000
Carmel Enterprise, LLC	\$7,000,000
Deferred Developer Fee	\$14,087,832
Tax Credit Equity	\$64,755,617
<b>TOTAL</b>	<b>\$120,870,229</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$103,558,035
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$134,625,446
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,385,018
Total State Credit:	\$20,581,563
Approved Developer Fee in Project Cost:	\$14,775,000
Approved Developer Fee in Eligible Basis:	\$3,500,000
Investor/Consultant:	Red Stone Equity Partners
Federal Tax Credit Factor:	\$0.87000
State Tax Credit Factor:	\$0.87000

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's annual per unit operating expense total is below the CTCAC published per unit operating minimums of \$5,700. As allowed by CTCAC Regulation Section 10327(g)(1), CTCAC approves an annual per unit operating expense total of \$5,120 on agreement of the permanent lender and equity investor.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 89.166%



**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Toyon Gardens, located at 3127 W 147th Street in Gardena on a 0.63 acre site, requested and is being recommended for a reservation of \$2,765,924 in annual federal tax credits and \$29,957,662 of tax-exempt bond cap to finance the new construction of 78 units of housing, consisting of 77 restricted rental units, and 1 unrestricted manager's unit. The project will have 15 studio units, 53 one-bedroom units, and 10 two-bedroom units, serving special needs tenants with rents affordable to households earning 30%-60% of area median income (AMI). The building will be six story Type III-A construction. Common amenities include large community room, laundry facilities, bike room, and on-site case manager and services specialist. Each unit will have a refrigerator, and range/oven/cooktop. The construction is expected to begin in February 2025 and be completed in November 2026. The project will be developed by Brilliant Corners and will be located in Senate District 24 and Assembly District 66.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Infill Infrastructure Grant (IIG) program(s) of HCD and the Community Care Expansion (CCE) grant from the California Department of Social Services.

**Project Number** CA-24-541

**Project Name** Toyon Gardens  
Site Address: 3127 W 147th Street  
Gardena, CA 90249  
County: Los Angeles  
Census Tract: 6037.06

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,765,924	\$0
Recommended:	\$2,765,924	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$29,957,662

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Toyon Gardens, L.P.  
Contact: Vanessa Luna  
Address: 854 Folsom Street  
San Francisco, CA 94107  
Phone: 213-378-9154  
Email: vluna@brilliantcorners.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: Los Angeles Community Development Authority  
Bond Counsel: Hawkins, Delafield & Wood LLP  
Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Toyon Gardens, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Brilliant Corners  
 Developer: Brilliant Corners  
 Investor/Consultant: Enterprise Housing Credit Investments  
 Management Agent: Solari Enterprises, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 78  
 No. / % of Low Income Units: 77 100.00%  
 Average Targeted Affordability: 35.58%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (60 Units - 78%)

**Information**

Housing Type: Special Needs  
 Geographic Area: Balance of Los Angeles County  
 State Ceiling Pool: New Construction  
 Set Aside: Homeless Set Aside  
 Homeless Set Aside Units: 60  
 CDLAC Project Analyst: Jake Salle  
 CTCAC Project Analyst: Chris Saenz

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	60	78%
50% AMI:	8	10%
60% AMI:	9	12%

**Unit Mix**

15 SRO/Studio Units  
 53 1-Bedroom Units  
 10 2-Bedroom Units  


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 78 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
15 SRO/Studio	30%	\$661
43 1 Bedroom	30%	\$709
2 2 Bedrooms	30%	\$850
5 1 Bedroom	50%	\$1,182
3 2 Bedrooms	50%	\$1,418
5 1 Bedroom	60%	\$1,418
4 2 Bedrooms	60%	\$1,702
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$3,578,317
Construction Costs	\$37,291,118
Construction Hard Cost Contingency	\$3,690,000
Soft Cost Contingency	\$670,000
Architectural/Engineering	\$2,285,000
Const. Interest, Perm. Financing	\$5,447,108
Legal Fees	\$150,000
Reserves	\$730,939
Other Costs	\$2,791,092
Developer Fee	\$3,500,000
<b>Total</b>	<b>\$60,133,574</b>

**Residential**

Construction Cost Per Square Foot:	\$716
Per Unit Cost:	\$770,943
Estimated Hard Per Unit Cost:	\$410,269
True Cash Per Unit Cost*:	\$765,815
Bond Allocation Per Unit:	\$384,073
Bond Allocation Per Restricted Rental Unit:	\$389,061

**Construction Financing**

Source	Amount
Citibank: Tax-Exempt	\$29,957,662
HCD: IIG	\$2,588,960
DSS: CCE <sup>1</sup>	\$22,683,505
Deferred Costs	\$3,875,588
Tax Credit Equity	\$1,027,859

**Permanent Financing**

Source	Amount
Citibank: Tax-Exempt	\$3,729,495
LACDA: AHTF <sup>1</sup>	\$7,005,067
HCD: IIG	\$2,588,960
DSS: CCE <sup>2</sup>	\$22,683,505
Developer Fee Contribution	\$600,000
Deferred Developer Fee	\$400,000
Tax Credit Equity	\$23,126,547
<b>TOTAL</b>	<b>\$60,133,574</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Los Angeles County Development Authority: Affordable Housing Trust Fund

<sup>2</sup>California Department of Social Services

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$53,248,337
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$69,222,838
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,765,924
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,500,000
Investor/Consultant:	Enterprise Housing Credit
Federal Tax Credit Factor:	\$0.83612

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**

Staff noted a per unit development cost of \$770,943. The applicant noted that the per unit cost is attributed to construction costs, insurance, prevailing wages, and environmental remediation.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 98.783%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Lincoln Avenue Apartments, located at 7101 Lincoln Avenue in Buena Park on a 1.35 acre site, requested and is being recommended for a reservation of \$1,427,812 in annual federal tax credits and \$20,600,000 of tax-exempt bond cap to finance the new construction of 55 units of housing, consisting of 54 restricted rental units and 1 unrestricted manager's unit. The project will have 14 one-bedroom units, 23 two-bedroom units, and 18 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The proposed new construction project will consists of four elevator serviced 3-story buildings. The construction type will be Type V-A wood framed construction structure. Common amenities include a tot lot, teen area, BBQ pavilion, a community room, technology center, outdoor passive open area, laundry facilities, lobby, management offices, bike parking spaces and a combination of surface and carport parking. Each unit will have a refrigerator, range/oven, dishwasher, garbage disposal, central heating and cooling, blinds, carpet, and a patio/balcony. The construction is expected to begin in January 2025 and be completed in November 2026. The project will be developed by C&C Development Co., LLC and will be located in Senate District 36 and Assembly District 67.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Special Needs Housing Program (SNHP) and Mental Health Service Act (MHSA) through CalHFA.

**Project Number** CA-24-545

**Project Name** Lincoln Avenue Apartments  
Site Address: 7101 Lincoln Avenue  
Buena Park, CA 90620  
County: Orange  
Census Tract: 1102.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,427,812	\$0
Recommended:	\$1,427,812	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$20,600,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Lincoln Buena Park LP  
Contact: Recinda Shafer  
Address: 14131 Yorba Street  
Tustin, CA 92780  
Phone: (714) 628-1654  
Email: recinda@riversidecharitable.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Bank of America, N.A.  
Public Sale: Unenhanced/Unrated

**Development Team**

General Partner(s) or Principal Owner(s): C&C Lincoln Buena Park LLC  
RCC MGP LLC

General Partner Type: Joint Venture  
Riverside Charitable Corporation

Developer: C&C Development Co., LLC

Investor/Consultant: National Equity Fund Inc.

Management Agent: Advanced Property Services Management, Inc.

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 4

Total # of Units: 55

No. / % of Low Income Units: 54 100.00%

Average Targeted Affordability: 45.30%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (13 Units - 20%)

**Information**

Housing Type: Large Family

Geographic Area: Orange County

State Ceiling Pool: New Construction

Set Aside: Extremely Low/Very Low Income Set Aside

Homeless Set Aside Units: 13

CDLAC Project Analyst: Sarah Lester

CTCAC Project Analyst: Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	17	31%
40% AMI:	9	17%
60% AMI:	13	24%
70% AMI*:	15	28%

\*CTCAC restricted only

**Unit Mix**

14 1-Bedroom Units  
23 2-Bedroom Units  
18 3-Bedroom Units  
55 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
10 1 Bedroom	30%	\$355
3 1 Bedroom	30%	\$355
2 2 Bedrooms	30%	\$863
2 3 Bedrooms	30%	\$997
7 2 Bedrooms	40%	\$1,292
2 3 Bedrooms	40%	\$1,492
1 1 Bedroom	60%	\$1,546
7 2 Bedrooms	60%	\$1,938
5 3 Bedrooms	60%	\$2,238
7 2 Bedrooms	70%	\$2,170
8 3 Bedrooms	70%	\$2,611
1 3 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$4,255,000
Construction Costs	\$24,555,002
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$794,172
Soft Cost Contingency	\$320,000
Relocation	\$0
Architectural/Engineering	\$1,050,000
Const. Interest, Perm. Financing	\$4,063,551
Legal Fees	\$262,000
Reserves	\$266,300
Other Costs	\$1,546,181
Developer Fee	\$4,236,213
Commercial Costs	\$0
<b>Total</b>	<b>\$41,348,419</b>



## Residential

Construction Cost Per Square Foot:	\$563
Per Unit Cost:	\$751,789
Estimated Hard Per Unit Cost:	\$389,053
True Cash Per Unit Cost*:	\$693,918
Bond Allocation Per Unit:	\$374,545
Bond Allocation Per Restricted Rental Unit:	\$528,205

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Bank of America: Tax-Exempt	\$20,600,000	Citi Bank: Tax-Exempt	\$7,883,780
County of Orange: SNHP/MHSA	\$1,759,040	County of Orange: SNHP/MHSA	\$1,759,040
City of Buena Park: Land	\$3,850,000	County of Orange	\$1,200,000
City of Buena Park	\$1,000,000	OCHFT <sup>1</sup>	\$1,154,290
CalOptima Grant	\$8,000,000	City of Buena Park: Land	\$3,850,000
Deferred Costs	\$324,100	City of Buena Park	\$1,000,000
General Partner Equity	\$100	CalOptima Grant	\$8,000,000
Deferred Developer Fee	\$4,130,884	General Partner Equity	\$100
Tax Credit Equity	\$1,684,295	Deferred Developer Fee	\$3,182,919
		Tax Credit Equity	\$13,318,290
		<b>TOTAL</b>	<b>\$41,348,419</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>Orange County Housing Finance Trust

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$35,695,299
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$35,695,299
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,427,812
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,236,213
Investor/Consultant:	National Equity Fund Inc.
Federal Tax Credit Factor:	\$0.93278

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

Development costs are roughly \$693,918 per unit. The applicant noted the factors affecting this cost include high interest rates, construction supply chain issues, soil condition treatment, and relocation costs.

### CDLAC Analyst Comments

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 102.202%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Rose Hill Courts Phase II, located at 3521 North Mckenzie Avenue in Los Angeles on a 3.45 acre site, requested and is being recommended for a reservation of \$4,238,372 in annual federal tax credits and \$46,444,290 of tax-exempt bond cap to finance the new construction of 96 units of housing, consisting of 95 restricted rental units, and 1 unrestricted manager's unit. The project will have 37 one-bedroom units, 33 two-bedroom units, 22 three-bedroom units, and 4 four-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The building will be 3 stories and type V-A construction with stucco and trespa exterior. Common amenities include play spaces, community room, picnic tables, lounge seating, exercise area and vegetable garden. Each unit will have refrigerator, range/oven, dishwasher and Units F-I with in-unit washers and dryers. The construction is expected to begin in March 2025 and be completed in March 2027. The project will be developed by Related Irvine Development Company of California and will be located in Senate District 24 and Assembly District 51.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-547

**Project Name** Rose Hill Courts Phase II  
Site Address: 3521 North Mckenzie Avenue  
Los Angeles, CA 90032  
County: Los Angeles  
Census Tract: 2013.01

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$4,238,372	\$0
Recommended:	\$4,238,372	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$46,444,290

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Rose Hill Courts II Housing Partners, L.P.  
Contact: Frank Cardone  
Address: 18201 Von Karman Ave, Suite 900  
Irvine, CA 92612  
Phone: (949) 660-7272  
Email: fcardone@related.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: Housing Authority of City of Los Angeles  
Bond Counsel: Kutak Rock LLP  
Private Placement Purchaser: JP Morgan Chase Bank, N. A.

**Development Team**

General Partner(s) or Principal Owner(s): Related/Rose Hill Courts II Development Co., LLC  
 LOMOD RHC II, LLC

General Partner Type: Joint Venture

Parent Company(ies): The Related Companies of CA, LLC  
 La Cienega LOMOD, Inc.

Developer: Related Irvine Development Company of California

Investor/Consultant: Raymond James

Management Agent: Related Management Company

**Project Information**

Construction Type: New Construction

Total # Residential Buildings: 7

Total # of Units: 96

No. / % of Low Income Units: 95 100.00%

Average Targeted Affordability: 38.31%

Federal Set-Aside Elected: 40%/60%

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (95 Units - 100%)

**Information**

Housing Type: Large Family

Geographic Area: City of Los Angeles

State Ceiling Pool: Preservation

CDLAC Project Analyst: Erin Deblaquiere

CTCAC Project Analyst: Jacob Paixao

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	47	49%
40% AMI:	14	15%
50% AMI:	17	18%
60% AMI:	17	18%

**Unit Mix**

37 1-Bedroom Units
33 2-Bedroom Units
22 3-Bedroom Units
4 4-Bedroom Units
<b>96 Total Units</b>

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
24 1 Bedroom	30%	\$709
3 1 Bedroom	40%	\$946
5 1 Bedroom	50%	\$1,110
5 1 Bedroom	60%	\$1,110
15 2 Bedrooms	30%	\$851
5 2 Bedrooms	40%	\$1,135
6 2 Bedrooms	50%	\$1,418
6 2 Bedrooms	60%	\$1,418
7 3 Bedrooms	30%	\$983
5 3 Bedrooms	40%	\$1,311
5 3 Bedrooms	50%	\$1,639
5 3 Bedrooms	60%	\$1,639
1 4 Bedrooms	30%	\$1,097
1 4 Bedrooms	40%	\$1,463
1 4 Bedrooms	50%	\$1,828
1 4 Bedrooms	60%	\$1,828
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$6,350,000
Construction Costs	\$55,661,467
Construction Hard Cost Contingency	\$2,783,073
Soft Cost Contingency	\$350,000
Architectural/Engineering	\$3,845,262
Const. Interest, Perm. Financing	\$5,837,250
Legal Fees	\$890,000
Reserves	\$1,461,874
Other Costs	\$4,767,400
Developer Fee	\$10,300,000
<b>Total</b>	<b>\$92,246,326</b>

**Residential**

Construction Cost Per Square Foot:	\$597
Per Unit Cost:	\$960,899
Estimated Hard Per Unit Cost:	\$513,651
True Cash Per Unit Cost*:	\$860,899
Bond Allocation Per Unit:	\$483,795
Bond Allocation Per Restricted Rental Unit:	\$488,887

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
Chase: Tax-Exempt	\$46,444,290	Chase: Tranche A	\$1,184,000
Chase: Taxable	\$10,445,363	Chase: Tranche B	\$25,662,000
HACLA: Gap Loan	\$5,135,000	HACLA: Gap Loan	\$5,135,000
HACLA: Supplemental Gap Loan	\$9,000,000	HACLA: Supplemental Gap Loan	\$9,000,000
Capitalized Lease Prepayment	\$4,950,000	Capitalized Lease Prepayment	\$4,950,000
Deferred Costs	\$1,461,874	Deferred Developer Fee	\$4,650,000
Deferred Developer Fee	\$9,025,000	General Partner Equity	\$3,100,000
Tax Credit Equity	\$5,784,799	Tax Credit Equity	\$38,565,326
		<b>TOTAL</b>	<b>\$92,246,326</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$81,507,150
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$105,959,295
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$4,238,372
Approved Developer Fee (in Project Cost & Eligible Basis):	\$10,300,000
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.90991

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**

Staff noted per unit development cost of \$860,899. The applicant stated that the per unit cost is attributed to high land cost, extensive site work due to steep sloping, prevailing wages, premium design elements, and funding delays resulting in higher costs. In addition, the applicant noted the project was deemed eligible for the National Register of Historic Places as a Historic District, which requires additional staffing during excavation and a 2 year impact study, resulting in additional costs.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).



<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 109.443%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 7, 2024**

Vacaville Gables Apartments, located at 131 Gable Avenue in Vacaville on a 3.69 acre site, requested and is being recommended for a reservation of \$766,927 in annual federal tax credits and \$12,500,000 of tax-exempt bond cap to finance the acquisition & rehabilitation of 65 units of housing, consisting of 64 restricted rental units, and 1 unrestricted manager's unit. The project has 56 two-bedroom units, and 9 three-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of stucco and balcony repair, new exterior paint, as well as replacing the roofs. Interior renovations will include new flooring, paint, lighting, kitchen, and bathroom upgrades to the Community Room. Individual apartment units will be updated with new appliances, cabinets, new vinyl plank flooring, electrical fixtures, and interior paint. Lastly, common or site area renovations will consist of concrete repairs, landscape upgrades, new building signage, as well as accessibility upgrades. The construction is expected to begin in December 2024 and be completed in December 2025. The project will be developed by Vacaville Gables AGP, LLC and is located in Senate District 3 and Assembly District 11.

Vacaville Gables Apartments is a re-syndication of an existing Low Income Housing Tax Credit (LIHTC) project, Vacaville Gables Apartments (CA-98-811). 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.

**Project Number** CA-24-549

**Project Name** Vacaville Gables Apartments  
Site Address: 131 Gable Avenue  
Vacaville, CA 95688  
County: Solano  
Census Tract: 2532.08

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$766,927	\$0
Recommended:	\$766,927	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$12,500,000

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Vacaville Gables Preservation, LP  
Contact: Luyang Liu  
Address: 1200 5th Suite 1825  
Seattle, WA 98101  
Phone: 425-652-9653  
Email: Luyang@ledgcapital.com

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Statewide Communities Development Authority  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Public Sale: Rated  
Underwriter: Stifel, Nicolaus & Company  
Credit Enhancement Provider: Fannie Mae MBS

**Development Team**

General Partner(s) or Principal Owner(s): Central Valley Coalition for Affordable Housing  
 Vacaville Gables AGP, LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Central Valley Coalition for Affordable Housing  
 River City Affordable Housing  
 Developer: Vacaville Gables AGP, LLC  
 Investor/Consultant: Walker & Dunlop  
 Management Agent: Rainey Property Management

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 17  
 Total # of Units: 65  
 No. / % of Low Income Units: 64 100.00%  
 Average Targeted Affordability: 55.49%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (26 Units - 40%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Northern Region  
 State Ceiling Pool: Other Rehabilitation  
 CDLAC Project Analyst: Danielle Stevenson  
 CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	7	11%
50% AMI:	8	13%
60% AMI:	49	77%

**Unit Mix**

56 2-Bedroom Units  
 9 3-Bedroom Units  


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 65 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
4 2 Bedrooms	30%	\$772
4 2 Bedrooms	50%	\$1,287
4 2 Bedrooms	60%	\$1,545
29 2 Bedrooms	60%	\$1,545
2 2 Bedrooms	30%	\$772
2 2 Bedrooms	50%	\$1,287
2 2 Bedrooms	60%	\$1,545
9 2 Bedrooms	60%	\$1,545
1 3 Bedrooms	30%	\$892
2 3 Bedrooms	50%	\$1,487
5 3 Bedrooms	60%	\$1,785
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$13,490,000
Construction Costs	\$0
Rehabilitation Costs	\$5,607,440
Construction Hard Cost Contingency	\$560,744
Soft Cost Contingency	\$50,480
Relocation	\$130,000
Architectural/Engineering	\$245,020
Const. Interest, Perm. Financing	\$1,119,255
Legal Fees	\$330,000
Reserves	\$292,002
Other Costs	\$173,059
Developer Fee	\$1,736,421
Commercial Costs	\$0
<b>Total</b>	<b>\$23,734,421</b>

**Residential**

Construction Cost Per Square Foot:	\$90
Per Unit Cost:	\$365,145
Estimated Hard Per Unit Cost:	\$74,369
True Cash Per Unit Cost*:	\$270,234
Bond Allocation Per Unit:	\$192,308
Bond Allocation Per Restricted Rental Unit:	\$195,313

**Construction Financing**

Source	Amount
CSCDA <sup>1</sup>	\$12,500,000
City of Vacaville	\$2,035,998
Seller Note	\$181,610
Seller Credit for STR <sup>2</sup>	\$365,390
Net Operating Income	\$521,224
Deferred Developer Fee	\$1,534,623
Tax Credit Equity	\$6,595,575

**Permanent Financing**

Source	Amount
CBRE Fannie Mae	\$8,047,000
City of Vacaville	\$2,035,998
Seller Note	\$4,634,610
Seller Credit for STR <sup>2</sup>	\$365,390
Net Operating Income	\$521,224
Deferred Developer Fee	\$1,534,623
Tax Credit Equity	\$6,595,575
<b>TOTAL</b>	<b>\$23,734,421</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

<sup>1</sup>California Statewide Communities Development Authority

<sup>2</sup>Short Term Reserve

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$8,440,393
130% High Cost Adjustment:	No
Requested Eligible Basis (Acquisition):	\$13,345,500
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$8,440,393
Qualified Basis (Acquisition):	\$13,345,500
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$233,107
Maximum Annual Federal Credit, Acquisition:	\$533,820
Total Maximum Annual Federal Credit:	\$766,927
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,736,421
Investor/Consultant:	Walker & Dunlop
Federal Tax Credit Factor:	\$0.86000

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-98-811). 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-98-811) is a qualified low-income household for the subsequent allocation (existing household eligibility is “grandfathered”).

The project is a resyndication where the existing regulatory agreement requires service amenities. The project shall provide a similar or greater level of services for a period of at least 15 years under the new regulatory agreement. The project is deemed to have met this requirement based on CTCAC staff's review of the commitment in the application. The services documented in the placed in service package will be reviewed by CTCAC staff for compliance with this requirement at the time of the placed in service submission.

The project is a re-syndication occurring concurrently with a Transfer Event with distribution of Net Project Equity, which is otherwise required to set aside a Short Term Work Capitalized Reserve in the amount of \$365,390. In lieu of a Short Term Work Capitalized Reserve, there is a credit from the seller of the project in the amount of \$365,390, allowing the applicant to use Short Term Work Reserve Amount to fund rehabilitation expenses and to receive eligible basis for that amount.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 127.993%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The Trails at Carmel Mountain Ranch, located at 10152 Rancho Carmel Drive in San Diego on a 2.78 acre site, requested and is being recommended for a reservation of \$3,941,060 in annual federal tax credits and \$40,600,000 of tax-exempt bond cap to finance the new construction of 125 units of housing, consisting of 124 restricted rental units, and 1 unrestricted manager's unit. The project will have 48 one-bedroom units, 44 two-bedroom units, and 33 three-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The buildings will be 4 and 5 stories Type V-B construction. Common amenities include three play structures covered with a shade sail, a picnic area with picnic tables and an electric barbecue, recreational outdoor space, and two central laundry rooms with stacked washers/dryers and one set each of non-stacked accessible washers/dryers. Each unit will have Energy Star-rated efficient appliances, such as dishwashers and refrigerators. Each building will include two elevators. The construction is expected to begin in March 2025 and be completed in December 2026. The project will be developed by Chelsea Investment Corporation and will be located in Senate District 40 and Assembly District 76.

**Project Number** CA-24-552

**Project Name** The Trails at Carmel Mountain Ranch  
Site Address: 10152 Rancho Carmel Drive  
San Diego, CA 92128  
County: San Diego  
Census Tract: 170.56

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$3,941,060	\$0
Recommended:	\$3,941,060	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$40,600,000

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: The Trails at CMR CIC, LP  
Contact: Cheri Hoffman  
Address: 6339 Paseo Del Lago  
Carlsbad, CA 92011  
Phone: 760-456-6000  
Email: cherihoffman@chelseainvestco.com

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Citi Community Capital



**Development Team**

General Partner(s) or Principal Owner(s): Pacific Southwest Community Development Corp.  
 CIC The Trails at CMR, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Chelsea Investment Corporation  
 Developer: Chelsea Investment Corporation  
 Investor/Consultant: Raymond James  
 Management Agent: ConAm Management Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 2  
 Total # of Units: 125  
 No. / % of Low Income Units: 124 100.00%  
 Average Targeted Affordability: 55.81%  
 Federal Set-Aside Elected: 40%/60%

**Information**

Housing Type: Large Family  
 Geographic Area: San Diego County  
 State Ceiling Pool: New Construction  
 CDLAC Project Analyst: Amit Sarang  
 CTCAC Project Analyst: Dianne Myers

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	13	10%
50% AMI:	13	10%
60% AMI:	98	79%

**Unit Mix**

48 1-Bedroom Units  
 44 2-Bedroom Units  
 33 3-Bedroom Units  


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 125 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
4 1 Bedroom	30%	\$775
4 1 Bedroom	50%	\$1,292
40 1 Bedroom	60%	\$1,551
5 2 Bedrooms	30%	\$930
5 2 Bedrooms	50%	\$1,550
34 2 Bedrooms	60%	\$1,860
4 3 Bedrooms	30%	\$1,075
4 3 Bedrooms	50%	\$1,791
24 3 Bedrooms	60%	\$2,150
1 3 Bedrooms	Manager's Unit	\$0

### Project Cost Summary at Application

Land and Acquisition	\$10,724,851
Construction Costs	\$42,179,180
Construction Hard Cost Contingency	\$2,133,900
Soft Cost Contingency	\$320,993
Architectural/Engineering	\$2,125,820
Const. Interest, Perm. Financing	\$7,474,405
Legal Fees	\$277,500
Reserves	\$511,157
Other Costs	\$2,982,665
Developer Fee	\$9,886,577
<b>Total</b>	<b>\$78,617,047</b>

### Residential

Construction Cost Per Square Foot:	\$276
Per Unit Cost:	\$628,936
Estimated Hard Per Unit Cost:	\$295,994
True Cash Per Unit Cost*:	\$550,901

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citi: Tax-Exempt	\$40,600,000	Citi: Tax-Exempt	\$20,130,000
Citi: Recycled Tax-Exempt	\$5,000,000	CIC Opportunities Fund	\$3,600,000
Citi: Taxable	\$7,328,226	Master Developer Gap Loan	\$8,724,750
Master Developer Gap Loan	\$8,724,750	Accrued Interest	\$458,049
Deferred Interest	\$13,767,426	Deferred Developer Fee	\$9,754,478
Tax Credit Equity	\$3,566,660	Solar Tax Credit Equity	\$283,174
		Tax Credit Equity	\$35,666,596
		<b>TOTAL</b>	<b>\$78,617,047</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

### Determination of Credit Amount(s)

Requested Eligible Basis:	\$75,797,088
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,941,060
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,886,577
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.90500

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**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	120

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 92.184%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Pacific Street Apartments Four, located at Pacific Street and Pine Street in Rocklin on a 0.42 acre site, requested and is being recommended for a reservation of \$1,031,819 in annual federal tax credits and \$10,693,101 of tax-exempt bond cap to finance the new construction of 50 units of housing, consisting of 50 restricted rental units. The project will have 26 one-bedroom units, 14 two-bedroom units, and 10 three-bedroom units, serving tenants with rents affordable to households earning 30%-60% of area median income (AMI). The building will be 3 stories. Common amenities include a community room with 2,384 square feet playground, laundry room, and surface parking. Each unit will have central heat/cool, blinds, ceiling fan, coat closet, stove/oven, dishwasher, and disposal. The construction is expected to begin in February 2025 and be completed in August 2026. The project will be developed by Community HousingWorks and will be located in Senate District 6 and Assembly District 5.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers.

**Project Number** CA-24-553

**Project Name** Pacific Street Apartments Four  
Site Address: Pacific Street and Pine Street  
Rocklin, CA 95677

County: Placer  
Census Tract: 211.03

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,031,819	\$0
Recommended:	\$1,031,819	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$10,693,101

**CTCAC Applicant Information**

CTCAC Applicant / CDLAC Sponsor: Pacific Street Housing Associates Four, LP  
Contact: Simon Fraser  
Address: 3111 Camino Del Rio North, Suite 800  
San Diego, CA 92108

Phone: 619-450-8716  
Email: sfraser@chworks.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: Banner Bank

**Development Team**

General Partner(s) or Principal Owner(s): CHW Pacific Street Four LLC  
 General Partner Type: Nonprofit  
 Parent Company(ies): Community Housing Works  
 Developer: Community HousingWorks  
 Investor/Consultant: California Housing Partnership  
 Management Agent: ConAm Management Corporation

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 3  
 Total # of Units: 50  
 No. / % of Low Income Units: 50 100.00%  
 Average Targeted Affordability: 49.00%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (8 Units - 16%)

**Information**

Housing Type: Non-Targeted  
 Geographic Area: Capital Region  
 State Ceiling Pool: New Construction  
 CDLAC Project Analyst: Danielle Stevenson  
 CTCAC Project Analyst: Brett Andersen

**55-Year Use / Affordability**

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	14	28%
50% AMI:	13	26%
60% AMI:	23	46%

**Unit Mix**

26 1-Bedroom Units  
 14 2-Bedroom Units  
 10 3-Bedroom Units  


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 50 Total Units

Unit Type & Number	2023 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
6 1 Bedroom	30%	\$603
2 2 Bedrooms	30%	\$723
6 3 Bedrooms	30%	\$836
7 1 Bedroom	50%	\$1,005
4 2 Bedrooms	50%	\$1,206
2 3 Bedrooms	50%	\$1,393
13 1 Bedroom	60%	\$1,206
8 2 Bedrooms	60%	\$1,447
2 3 Bedrooms	60%	\$1,672

**Project Cost Summary at Application**

Land and Acquisition	\$1,050,310
Construction Costs	\$11,691,391
Construction Hard Cost Contingency	\$592,400
Soft Cost Contingency	\$471,936
Architectural/Engineering	\$850,327
Const. Interest, Perm. Financing	\$1,789,780
Legal Fees	\$114,136
Reserves	\$222,359
Other Costs	\$2,641,611
Developer Fee	\$2,588,175
<b>Total</b>	<b>\$22,012,425</b>

**Residential**

Construction Cost Per Square Foot:	\$320
Per Unit Cost:	\$440,249
Estimated Hard Per Unit Cost:	\$205,835
True Cash Per Unit Cost*:	\$420,646
Bond Allocation Per Unit:	\$213,862
Bond Allocation Per Restricted Rental Unit:	\$213,862

<b>Construction Financing</b>		<b>Permanent Financing</b>	
Source	Amount	Source	Amount
Banner Bank: Tax-Exempt	\$10,693,101	Banner Bank: Taxable	\$5,176,000
Banner Bank: Recycled Tax-Exempt	\$3,000,000	Banner Bank: Recycled Tax-Exempt	\$3,000,000
City of Rocklin	\$2,600,000	City of Rocklin	\$2,600,000
City of Rocklin: Ground Lease	\$631,916	City of Rocklin: Gound Lease	\$631,916
Deferred Costs	\$1,343,809	Deferred Developer Fee	\$980,109
Deferred Developer Fee	\$980,109	Tax Credit Equity	\$9,624,400
Tax Credit Equity	\$2,763,490	<b>TOTAL</b>	<b>\$22,012,425</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$19,842,673
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$25,795,475
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,031,819
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,588,175
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.93276

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**

The applicant requested the use of the CUAC utility allowance for 42 of the 50 units in this project. The remaining 8 units with project-based vouchers will utilize the County of Placer Housing Authority's Utility Allowance Schedule. CTCAC staff will review the CUAC documentation for this existing 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 requested and has been granted a waiver to not include an onsite manager's unit for this project. This 4% LIHTC project is a portion of a larger hybrid project. The 9% LIHTC portion will be submitted in the second 2024 9% tax credit round. The 9% portion of this hybrid project will include an additional 60 units, which will include the on-site manager's unit. Both the 4% and 9% portion of this hybrid project will be managed by an on-site property manager located at the 9% LIHTC property. Prior to the start of construction, all necessary agreements shall be in place to ensure that the 9% LIHTC project has sufficient property management and access to the required community spaces for both sites. Any Joint Use Agreement shall be provided in the placed in service submission. This waiver is contingent on the 9% portion being awarded 9% tax credits in the second 9% tax credit round of 2024.

### **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 104.100%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Windsor Park, located at 8685 Old Redwood Highway in Windsor on a 1.66 acre site, requested and is being recommended for a reservation of \$1,236,998 in annual federal tax credits and \$5,734,169 in total state tax credits and \$12,991,250 of tax-exempt bond cap to finance the new construction of 33 units of housing, consisting of 32 restricted rental units, and 1 unrestricted manager's unit. The project will have 4 one-bedroom units, 16 two-bedroom units, and 13 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The building will be 3 stories and Type V construction. Common amenities include a community room with a kitchen, a computer center with high-speed internet, laundry room, tot-lot, teen work-out area, and bbq/outdoor lounge area. Each unit will have a refrigerator, range/oven, dishwasher, garbage disposal, and microwave. The construction is expected to begin in February 2025 and be completed in March 2026. The project will be developed by Linc Housing Corporation and will be located in Senate District 2 and Assembly District 2.

The project will be receiving rental assistance in the form of HUD Section 8 and VASH Project-based Vouchers.

**Project Number** CA-24-554

**Project Name** Windsor Park  
Site Address: 8685 Old Redwood Highway  
Windsor, CA 95492  
County: Sonoma  
Census Tract: 1538.09

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$1,236,998	\$5,734,169
Recommended:	\$1,236,998	\$5,734,169

\* The applicant made an election to sell (Certificate) all or any portion of the state credits.

**Tax-Exempt Bond Allocation**  
Recommended: \$12,991,250

**CTCAC Applicant Information**  
CTCAC Applicant / CDLAC Sponsor: Windsor Park, L.P.  
Applicant for State Credits: Linc Windsor LLC  
Contact: Anders Plett  
Address: 3590 Elm Avenue  
Long Beach, CA 90807  
Phone: 562-684-1131  
Email: aplett@linchousing.org

**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
Bond Counsel: Jones Hall, A Professional Law Corporation  
Private Placement Purchaser: JPMorgan Chase Bank, NA

**Development Team**

General Partner(s) or Principal Owner(s): Linc Windsor LLC  
General Partner Type: Nonprofit  
Parent Company(ies): Linc Housing Corporation  
Developer: Linc Housing Corporation  
Investor/Consultant: Raymond James  
Management Agent: FPI Management

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 1  
Total # of Units: 33  
No. / % of Low Income Units: 32 100.00%  
Average Targeted Affordability: 49.07%  
Federal Set-Aside Elected: 40%/60%  
Federal Subsidy: Tax-Exempt / HOME / HUD Section 8 Project-based Vouchers  
(8 Units - 25%) / VASH Project-based Vouchers (10 Units - 31%)

**Information**

Housing Type: Large Family  
Geographic Area: Northern Region  
State Ceiling Pool: Rural  
Homeless Set Aside Units: 8  
CDLAC Project Analyst: Anthony Wey  
CTCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	18	56%
70% AMI*:	9	28%
80% AMI*:	5	16%

\*CTCAC restricted only

**Unit Mix**

4 1-Bedroom Units
16 2-Bedroom Units
13 3-Bedroom Units
<b>33 Total Units</b>

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$708
2 1 Bedroom	30%	\$708
4 2 Bedrooms	30%	\$849
4 3 Bedrooms	30%	\$981
6 2 Bedrooms	30%	\$849
5 2 Bedrooms	80%	\$2,266
9 3 Bedrooms	70%	\$2,289
1 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$1,514,125
Construction Costs	\$14,611,912
Construction Hard Cost Contingency	\$762,504
Soft Cost Contingency	\$234,756
Architectural/Engineering	\$565,000
Const. Interest, Perm. Financing	\$2,781,404
Legal Fees	\$339,000
Reserves	\$200,610
Other Costs	\$2,341,497
Developer Fee	\$3,088,789
<b>Total</b>	<b>\$26,439,597</b>

### **Residential**

Construction Cost Per Square Foot:	\$385
Per Unit Cost:	\$801,200
Estimated Hard Per Unit Cost:	\$389,213
True Cash Per Unit Cost*:	\$788,396
Bond Allocation Per Unit:	\$393,674
Bond Allocation Per Restricted Rental Unit:	\$721,736

<b>Construction Financing</b>		<b>Permanent Financing</b>	
<u>Source</u>	<u>Amount</u>	<u>Source</u>	<u>Amount</u>
JP Morgan Chase: Tax-Exempt	\$12,991,250	Citibank: Traunche A and B	\$6,463,943
JP Morgan Chase: Taxable	\$4,063,595	City of Windsor: Land Loan	\$1,765,000
City of Windsor: Land Loan	\$1,765,000	City of Windsor: Impact Fee Deferral	\$712,000
City of Windsor: Impact Fee Deferral	\$712,000	Sonoma County: HOME	\$598,302
Sonoma County: HOME	\$598,302	Accrued Interest	\$117,631
Accrued Interest	\$117,631	Deferred Developer Fee	\$422,529
Deferred Costs	\$861,160	General Partner Equity	\$100
Deferred Developer Fee	\$422,529	Tax Credit Equity	\$16,360,092
General Partner Equity	\$100	<b>TOTAL</b>	<b>\$26,439,597</b>
Tax Credit Equity	\$4,908,030		

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$23,788,419
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$30,924,945
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$1,236,998
Total State Credit:	\$5,734,169
Approved Developer Fee (in Project Cost & Eligible Basis):	\$3,088,789
Investor/Consultant:	Raymond James
Federal Tax Credit Factor:	\$0.91000
State Tax Credit Factor:	\$0.89000

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**

Staff noted a per unit development cost of \$788,396. The applicant noted that the per unit cost is attributed to the lack of economies of scale, the requirement for the payment of federal prevailing wages, and the size and location of the project, which limited the subcontractor pool.

The project will serve 56% (18 units) Special Needs tenants, consisting of households and veterans who are homeless or at-risk of being homeless.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 78.363%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

Seaside Apartments, located at 1380 30th Avenue in Santa Cruz on a 4.64 acre site, requested and is being recommended for a reservation of \$2,744,050 in annual federal tax credits and \$37,316,600 of tax-exempt bond cap to finance the acquisition & rehabilitation of 84 units of housing, consisting of 83 restricted rental units and 1 unrestricted manager's unit. The project has 16 one-bedroom units, 52 two-bedroom units, and 16 three-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of replacement of roof, installation of solar panel system, painting of all exterior walls and sidings, exterior lights replacement with LED light fixtures. Interior renovations will include interior door hardware replacement, replacement of water heaters with higher efficiency units; replacement of interior light fixtures. Individual apartment units will be updated with new kitchen cabinets, replacement of kitchen sinks and faucets, replacement of bathroom fixtures with low flow toilets, showerheads, and aerators installed, replacement of appliances with EnergyStar rated units, higher efficiency LED fixtures, replacement of blinds and replacement of vinyl flooring. Lastly, common or site area renovations will consist of upgrade of leasing office (vinyl floor installation, upgrade of light fixtures, etc.). The construction is expected to begin in October 2024 and be completed in December 2025. The project will be developed by Gung Ho - Seaside, LLC and is located in Senate District 17 and Assembly District 30.

The project is currently at-risk, but is being recommended for a reservation of tax credits that will preserve affordability for an additional 55 years. The project will be receiving rental assistance in the form of HUD Section 8 Project-based Contract.

**Project Number** CA-24-558

**Project Name** Seaside Apartments  
Site Address: 1380 30th Avenue  
Santa Cruz, CA 95062  
County: Santa Cruz  
Census Tract: 1217.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,744,050	\$0
Recommended:	\$2,744,050	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$37,316,600

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Reliant - Seaside, LP  
Contact: Mike April  
Address: 601 California Street, Suite 1150  
San Francisco, CA 94108  
Phone: (415) 501-9605  
Email: mapril@reliantgroup.com



**Bond Financing Information**

CDLAC Applicant/Bond Issuer: California Municipal Finance Authority  
 Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
 Private Placement Purchaser: Citibank, N.A.

**Development Team**

General Partner(s) or Principal Owner(s): Gung Ho - Seaside, LLC  
 Rainbow - Seaside, LLC  
 General Partner Type: Joint Venture  
 Parent Company(ies): Gung Ho Partners, LLC  
 Rainbow Housing Assistance Corporation  
 Developer: Gung Ho - Seaside, LLC  
 Investor/Consultant: R4 Capital  
 Management Agent: Reliant Property Management

**Project Information**

Construction Type: Acquisition & Rehabilitation  
 Total # Residential Buildings: 6  
 Total # of Units: 84  
 No. / % of Low Income Units: 83 100.00%  
 Average Targeted Affordability: 49.40%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Contract (83 Units - 100%)

**Information**

Housing Type: At-Risk  
 Geographic Area: Central Coast Region  
 State Ceiling Pool: Preservation  
 Set Aside: N/A  
 Homeless Set Aside Units: N/A  
 CDLAC Project Analyst: Brandon Medina  
 CTCAC Project Analyst: Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	7	8%
50% AMI:	73	88%
80% AMI*:	3	4%

\*CTCAC restricted only

**Unit Mix**

16 1-Bedroom Units
52 2-Bedroom Units
<u>16 3-Bedroom Units</u>
84 Total Units

<u>Unit Type &amp; Number</u>	<u>2023 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
2 1 Bedroom	30%	\$926
4 2 Bedrooms	30%	\$1,112
1 3 Bedrooms	30%	\$1,284
14 1 Bedroom	50%	\$1,544
47 2 Bedrooms	50%	\$1,853
12 3 Bedrooms	50%	\$2,141
1 2 Bedrooms	80%	\$2,966
2 3 Bedrooms	80%	\$3,426
1 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$45,000,000
Rehabilitation Costs	\$11,054,666
Construction Hard Cost Contingency	\$1,105,467
Soft Cost Contingency	\$400,000
Relocation	\$259,875
Architectural/Engineering	\$250,000
Const. Interest, Perm. Financing	\$6,285,400
Legal Fees	\$556,750
Reserves	\$864,880
Other Costs	\$887,240
Developer Fee	\$8,293,598
<b>Total</b>	<b>\$74,957,876</b>

**Residential**

Construction Cost Per Square Foot:	\$151
Per Unit Cost:	\$892,356
Estimated Hard Per Unit Cost:	\$112,357
True Cash Per Unit Cost*:	\$832,347
Bond Allocation Per Unit:	\$444,245
Bond Allocation Per Restricted Rental Unit:	\$466,458

**Construction Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$37,316,600
CitiBank: Recycled Tax-Exempt	\$8,183,400
Deferred Developer Fee	\$6,505,747
Tax Credit Equity	\$22,952,129

**Permanent Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$26,316,600
CitiBank: Recycled Tax-Exempt	\$8,183,400
Subordinate Tax-Exempt	\$11,000,000
Deferred Developer Fee	\$5,040,717
Tax Credit Equity	\$24,417,159
<b>TOTAL</b>	<b>\$74,957,876</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis (Rehabilitation):	\$16,723,318
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$46,860,933
Applicable Fraction:	100.00%
Qualified Basis (Rehabilitation):	\$21,740,313
Qualified Basis (Acquisition):	\$46,860,933
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$869,613
Maximum Annual Federal Credit, Acquisition:	\$1,874,437
Total Maximum Annual Federal Credit:	\$2,744,050
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,293,598
Investor/Consultant:	R4 Capital
Federal Tax Credit Factor:	\$0.88982

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**

Development costs are roughly \$892,347 per unit. The applicant noted the factors affecting this cost include the acquisition cost, accrued interest costs, and extensive upgrades to the existing infrastructure.

**CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	20
New Construction Density and Local Incentives	10	0	0
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	0
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	0
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	110

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 122.396%

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE  
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE  
Project Staff Report  
Qualified Private Activity Tax-Exempt Bond Project  
August 6, 2024**

The project, 54th and El Cajon, located at 5474 El Cajon Boulevard in San Diego on a 0.43 acre site, requested and is being recommended for a reservation of \$2,195,125 in annual federal tax credits and \$22,386,641 of tax-exempt bond cap to finance the new construction of 95 units of housing, consisting of 94 restricted rental units, and 1 unrestricted manager's unit. The project will have 14 studio units, 66 one-bedroom units, and 15 two-bedroom units, serving tenants with rents affordable to households earning 30%-80% of area median income (AMI). The building will be five story new construction. Common amenities include large community room, laundry facilities, and computer room. Each unit will have refrigerator, and range/oven/cooktop. The construction is expected to begin in February 2025 and be completed in August 2026. The project will be developed by Community Housing Works and will be located in Senate District 39 and Assembly District 79.

**Project Number** CA-24-564

**Project Name** 54th and El Cajon  
Site Address: 5474 El Cajon Boulevard  
San Diego, CA 92115  
County: San Diego  
Census Tract: 2804.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$2,195,125	\$0
Recommended:	\$2,195,125	\$0

**Tax-Exempt Bond Allocation**  
Recommended: \$22,386,641

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Community HousingWorks  
Applicant for State Credits: Community HousingWorks  
Contact: Jonathan Lee  
Address: 3111 Camino Del Rio North Suite 800  
San Diego, CA 92108  
Phone: 619-795-1034  
Email: jlee@chworks.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: California Housing Finance Agency  
Bond Counsel: Orrick, Herrington & Sutcliffe LLP  
Private Placement Purchaser: Bellwether Real Estate Capital

**Development Team**  
General Partner(s) or Principal Owner(s): Community HousingWorks  
General Partner Type: Nonprofit  
Parent Company(ies): Community HousingWorks  
Developer: Community Housing Works  
Investor/Consultant: California Housing Partnership  
Management Agent: ConAm Management Corporation

**Project Information**

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	95
No. / % of Low Income Units:	94 100.00%
Average Targeted Affordability:	59.67%
Federal Set-Aside Elected:	40%/60% Average Income
Federal Subsidy:	Tax-Exempt

**Information**

Housing Type:	Non-Targeted
Geographic Area:	San Diego County
State Ceiling Pool:	New Construction
CDLAC Project Analyst:	Jake Salle
CTCAC Project Analyst:	Nick White

**55-Year Use / Affordability**

<b>Aggregate Targeting</b>	<b>Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI:	11	12%
50% AMI:	11	12%
60% AMI:	51	54%
80% AMI*:	21	22%

\*CTCAC restricted only

**Unit Mix**

14 SRO/Studio Units
66 1-Bedroom Units
15 2-Bedroom Units
<hr/>
95 Total Units

<b>Unit Type &amp; Number</b>	<b>2023 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
2 SRO/Studio	30%	\$723
7 1 Bedroom	30%	\$775
2 2 Bedrooms	30%	\$930
2 SRO/Studio	50%	\$1,206
7 1 Bedroom	50%	\$1,292
2 2 Bedrooms	50%	\$1,551
7 SRO/Studio	60%	\$1,447
38 1 Bedroom	60%	\$1,551
6 2 Bedrooms	60%	\$1,861
3 SRO/Studio	80%	\$1,833
14 1 Bedroom	80%	\$2,068
4 2 Bedrooms	80%	\$2,482
1 2 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$5,296,260
Construction Costs	\$28,404,474
Construction Hard Cost Contingency	\$1,295,224
Soft Cost Contingency	\$285,414
Architectural/Engineering	\$1,211,699
Const. Interest, Perm. Financing	\$4,066,823
Legal Fees	\$135,000
Reserves	\$393,745
Other Costs	\$3,528,429
Developer Fee	\$5,506,167
<b>Total</b>	<b>\$50,123,235</b>

**Residential**

Construction Cost Per Square Foot:	\$387
Per Unit Cost:	\$527,613
Estimated Hard Per Unit Cost:	\$232,806
True Cash Per Unit Cost*:	\$495,991
Bond Allocation Per Unit:	\$235,649
Bond Allocation Per Restricted Rental Unit:	\$306,666

**Construction Financing**

Source	Amount
Bellwether: Tax-Exempt	\$22,386,641
Bellwether: Recycled Bonds	\$10,680,948
FHC <sup>1</sup> : Ground Lease	\$5,200,000
FHC <sup>1</sup> : Infrastructure	\$5,000,000
Deferred Costs	\$1,966,477
Deferred Developer Fee	\$3,004,111
Tax Credit Equity	\$1,885,057

**Permanent Financing**

Source	Amount
Bellwether: Tax-Exempt	\$12,675,000
Recycled Bonds	\$3,000,000
FHC <sup>1</sup> : Ground Lease	\$5,200,000
FHC <sup>1</sup> : Infrastructure	\$5,000,000
Deferred Developer Fee	\$3,004,111
Tax Credit Equity	\$21,244,124
<b>TOTAL</b>	<b>\$50,123,235</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

FHC<sup>1</sup>: Family Housing Centers

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$42,213,945
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$54,878,129
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,195,125
Approved Developer Fee (in Project Cost & Eligible Basis):	\$5,506,167
Investor/Consultant:	California Housing Partnership
Federal Tax Credit Factor:	\$0.96779

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**

The current site of the project is made up of 4 existing parcels. Prior to the close of construction financing and prior to the commencement of construction, the applicant/sponsor will merge the existing parcels and then simultaneously split them into five parcels. A final tract map will be recorded which will create five vertical parcels, each with a legal description and assessor parcel number. The future Air Rights Parcels 1A, 1B, and 2 will contain a 3 story parking garage. The future Air Rights Parcel 3 will contain a portion of levels 4-8, proposed to be a 41-unit permanent supportive housing development; and the future Air Rights Parcel 4 will contain this 95-unit LIHTC project, the balance of levels 4-8. The legal description and APN for CA-24-564 must be completed as part of the placed in service package.

### **CDLAC Analyst Comments**

None

**Resyndication and Resyndication Transfer Event:** None.

### **Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% 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. At the time of the CTCAC placed in service review, CTCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.

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).

<b>Point Criteria</b>	<b>New Const. Max. Points</b>	<b>Rehabilitation Max. Points</b>	<b>Points Scored</b>
Preservation and Other Rehabilitation Project Priorities	0	20	0
New Construction Density and Local Incentives	10	0	10
Exceeding Minimum Income Restrictions	20	20	20
Exceeding Minimum Rent Restrictions	10	10	10
General Partner Experience	7	7	7
Management Company Experience	3	3	3
Housing Needs	10	0	10
Leveraged Soft Resources	8	8	8
Readiness to Proceed	10	10	10
Affirmatively Furthering Fair Housing	10	0	9
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	120	110	119

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.

**Tie Breaker:** 93.736%



**AGENDA ITEM 6**

**Round 2 Award of Allocation  
of Qualified Private Activity  
Bonds for Exempt Facility  
(EXF) Projects (Cal. Code  
Regs., tit. 4, §5440)**

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**Exempt Facilities Program 2024 Round 2**  
**Recommendation List**

<b>App. No.</b>	<b>Applicant</b>	<b>Project Name</b>	<b>Requested Amount</b>	<b>Recommended Amount</b>	<b>Round 2</b>
<b>Round 2 Allocation</b>					<b>\$255,500,000</b>
24-103	California Municipal Finance Authority	Recology Inc. Project	\$61,000,000	\$61,000,000	
<b>Remaining allocation being rolled into Round 3</b>					<b>\$194,500,000</b>
<b>Total Available for Round 3</b>					<b>\$194,500,000</b>

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**August 6, 2024**  
**Staff Report**  
**REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR AN**  
**EXEMPT FACILITY PROJECT**

*Prepared by: Anthony Wey*

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**Applicant:** California Municipal Finance Authority

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**Allocation Amount Requested:** \$61,000,000

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**Project Information:**

**Name:** Recology Inc. Project  
**Project Addresses:** Various, CA  
**Project Cites, Zip Codes:** Vacaville, CA 95687; Vallejo, CA 94589; Santa Rosa, CA 95407; San Carlos, CA 94070  
**County:** Solano; Solano; Sonoma; San Mateo

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**Project Sponsor Information:**

**Name:** Recology Inc.  
**Street Address:** 50 California St., 24th Floor  
**City:** San Francisco, CA  
**Principals:** Gordon Heneweer  
**Contact:** Gordon Heneweer  
**Phone:** (415) 875-1000

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**Project User Information:**

**Name:** Same as Project Sponsor  
**Address:** Same as Project Sponsor  
**Contact:** Same as Project Sponsor  
**Phone:** Same as Project Sponsor

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**Project Financing Information:**

**Bond Counsel:** Orrick, Harrington & Sutcliffe LLP  
**Financial Advisor Firm:** Bank of America, N.A.

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**Project Sponsor's Principal Activity:**

Site improvements and acquisition of processing equipment for solid waste collection.

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**First Tier Business (Yes/No):** No

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**Regulatory Mandate (Yes/No):** Yes

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**Details of Project Financing****Sources of Funds:**

Tax-Exempt Bond Proceeds	\$	61,000,000
Total Sources	\$	61,000,000

**Uses of Funds:**

Rehabilitaion of Existing Buildings	\$	9,237,477
Acquisition/Installation of New Equipment	\$	51,384,947
Bond Issuance Expenses (Including Discount)	\$	377,576
Total Uses	\$	61,000,000

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**Description of Proposed Project:**

The Recology Inc. Project includes making site improvements and acquiring processing equipment at the Recology Sonoma Marin Materials Recovery Facility (MRF). The project will also acquire vehicles, containers, and maintenance equipment used to provide solid waste collection, transfers and related services to support the operations of Recology Vacaville Solano, Recology Vallejo, Recology Sonoma Marin, and Recology San Mateo County.

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**Environmental Impact:**1) Air Quality:

The acquisition of vehicles allows older vehicles to be replaced with newer vehicles with better emission controls or using alternative fuels. Site improvements and acquisition of processing equipment at the Recology Sonoma Marin Materials Recovery Facility (MRF) expands the capacity of the facility, reducing air impacts by reducing the need to transport excess recyclables to distant facilities.

2) Water Quality:

The acquisition of containers facilitates the proper containerization of waste and its delivery to appropriate facilities, avoiding spillage that could impact local water systems. Acquisition of maintenance equipment helps avoid hydraulic or other spills that could impact local water systems.

3) Recycling of Commodities:

Site improvements and acquisition of processing equipment at the Recology Sonoma Marin Materials Recovery Facility (MRF) result in more commodities being recycled.

4) Safety and Compliance:

The acquisition of solid waste collection, transfer and other vehicles supports the collection of solid waste and its delivery to appropriate disposal, recycling and composting facilities, safely and in compliance with applicable laws, and in support of state mandates. Acquisition of containers helps local jurisdictions comply with state mandates under SB 1383 regarding container colors and labels. Acquisition of maintenance equipment helps support safe operation of vehicles used for solid waste collection and transfer.

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**Local Government Support:**

The Applicant provided a letter of support from the government entity where their company is currently located.

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**Legal Questionnaire:**

No information was disclosed that raised any question regarding the financial viability or legal integrity of the Project Sponsor.

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**Recommendation:**

Staff recommends approval of \$61,000,000 in tax exempt bond allocation.



## **AGENDA ITEM 7**

**Resolution No. 24-006, Adoption of  
Regular Rulemaking for Amendments to  
the California Debt Limit Allocation  
Committee Regulations (Cal. Code Regs.,  
tit. 4 §5000 – 5259)**



**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
*August 6, 2024*

**Adoption of Regular Rulemaking for Amendments to the  
California Debt Limit Allocation Committee Regulations**  
(Agenda Item No. 7)

**ACTION:**

Approve the adoption of regular rulemaking for amendments to the California Debt Limit Allocation Committee (CDLAC) Regulations (California Code of Regulations, title 4, sections 5000 – 5259) to make changes necessary for the administration of the state volume ceiling.

**DISCUSSION:**

To ensure meaningful impact on the affordable housing shortage in California, CDLAC continues to work to refine the QRRP competitive application process during ongoing discussions at CDLAC public meetings. CDLAC provided a notice of proposed action to the public at least 21 days before the close of the public comment period and held a public hearing before the close of the public comment period, as required by Government Code section 8869.94.

**List of regulations to be modified:**

Title 4, Section 5000. Definitions  
Title 4, Section 5020. Determination of State Ceiling Pools  
Title 4, Section 5054. Filing Fees  
Title 4, Section 5062. Private Placement Sales  
Title 4, Section 5100. Program Expiration Dates  
Title 4, Section 5101. Extension to Expiration Dates  
Title 4, Section 5103. Five Day Hardship Extensions [Repealed]  
Title 4, Section 5144. Annual Applicant Public Benefits and On-Going Compliance Self-Certification  
Title 4, Section 5170. Definitions  
Title 4, Section 5190. Readiness  
Title 4, Section 5193. Debt Service Coverage Ratio  
Title 4, Section 5205. Minimum Requirements  
Title 4, Section 5230. Evaluation Criteria  
Title 4, Section 5231. Ranking  
Title 4, Section 5233. Allocation Limits  
Title 4, Section 5241. Realignment of Expiration Dates

The proposed changes can be found in the final statement of reasons and the redline copy of the regulations posted on CDLAC's website.

**RECOMMENDATION:**

Staff recommends the approval of the adoption of regular rulemaking for amendments to the CDLAC Regulations.

**RESOLUTION NO. 24-006**

**August 6, 2024**

**RESOLUTION OF THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**ADOPTION OF REGULAR RULEMAKING AMENDMENTS TO THE CALIFORNIA DEBT LIMIT ALLOCATION**  
**COMMITTEE REGULATIONS**

**WHEREAS**, the California Debt Limit Allocation Committee (“CDLAC”) is authorized to implement the volume limit for the state on private activity bonds established pursuant to federal law, annually determine a state ceiling on the aggregate amount of private activity bonds that may be issued, and allocate that aggregate amount among state and local agencies (Gov. Code, § 8869.81 et seq.); and

**WHEREAS**, CDLAC is authorized to adopt, amend and repeal rules and regulations to administer the state volume ceiling established pursuant to federal law (Gov. Code, § 8869.94 et seq.); and

**WHEREAS**, CDLAC has identified certain programmatic changes necessary to administer the state volume ceiling; and

**WHEREAS**, CDLAC has provided a notice of proposed action to the public at least 21 days before the close of the public comment period and held a public hearing before the close of the public comment period, as required pursuant to Government Code section 8869.94; and

**WHEREAS**, regulations adopted by CDLAC take effect immediately upon adoption (Gov. Code, § 8869.94).

**NOW, THEREFORE, BE IT RESOLVED** by the California Debt Limit Allocation Committee as follows:

**Section 1.** The regular rulemaking for amendments to California Code of Regulations, title 4, sections 5000 - 5259, as listed in Exhibit A, are adopted and take effect immediately.

**Section 2.** This Resolution shall take effect immediately upon its adoption.

**CERTIFICATION**

I, Marina Wiant, Interim Executive Director of the California Debt Limit Allocation Committee, hereby certify that the above is a full, true, and correct copy of the Resolution adopted at a meeting of the Committee held in the Paul Bonderson Building, 901 P Street, Room 102, Sacramento, California 95814, on August 6, 2024, at 1:00 pm. with the following votes recorded:

AYES:

NOES:

ABSTENTIONS:

ABSENCES:

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Marina Wiant, Interim Executive Director

Date: August 6, 2024



## CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

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Sacramento, CA 95814  
p (916) 653-3255  
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### MEMBERS

FIONA MA, CPA, CHAIR  
State Treasurer

GAVIN NEWSOM  
Governor

MALIA M. COHEN  
State Controller

INTERIM EXECUTIVE DIRECTOR  
MARINA WIANT

**DATE:** July 26, 2024

**TO:** California Debt Limit Allocation Committee Stakeholders

**FROM:** Marina Wiant, Interim Executive Director

**RE:** Final Proposed Regulation Changes and Response to Comments

On June 28, 2024, the California Debt Limit Allocation Committee (“CDLAC”) released proposed regulation changes for a regular rulemaking for the California Debt Limit Allocation Committee Program and opened the 21-day public comment period.

CDLAC staff subsequently held an in-person and virtual public hearing in Sacramento on July 18, 2024.

CDLAC accepted written comments on the initial proposed regulation changes through Friday, July 19, 2024. Numerous individuals, organizations, and groups formally commented on the proposed regulation changes in both oral and written form. CDLAC staff reviewed all comments received and finalized the recommendations for consideration and adoption to be presented to the Committee on Tuesday, August 6, 2024.

This memo includes the final proposed regulation changes, the initial statement of reasons, a brief summary of the comments received, staff’s responses to comments, including explanations to any proposed revisions to the initially proposed changes, and the final proposed changes. CDLAC staff also received comments on regulation changes outside the scope of this regular rulemaking and will consider those comments for a future possible regulation change package. Those additional comments outside the scope of this regular rulemaking are not included in the document.

**List of Proposed Regulation Changes, Comments Received, and Responses to  
Comments  
July 25, 2024**

**1. Section 5000. Definitions.**

The proposed changes remove references to outdated documents.

**Initial proposed changes:**

[...]

“Certificate of Completion for Non-Qualified Residential Rental Projects” (~~Revised 06-01-2017~~), hereby incorporated by reference, submitted by the Project Sponsor of a Non-Qualified Residential Rental Project, certifies that all work on the Project was substantially completed, along with the aggregate amount disbursed on the loan for qualified project costs. In addition, the officer's signature indicates that no more than 2% of the proceeds of the bonds issued were spent on the cost of the bond issuance.

“Certificate of Completion for Qualified Residential Rental Projects” (~~Revised 06-01-2017~~), hereby incorporated by reference, submitted by the Project Sponsor of a Qualified Residential Rental Project, and certifies that all work on the Project was substantially completed, along with the aggregate amount disbursed on the loan for qualified project costs. In addition, the officer's signature indicates that no more than 2% of the proceeds of the bonds issued were spent on the cost of the bond issuance.

“Certification of Compliance I” (~~Revised 11-16-16~~), hereby incorporated by reference, means the document provided in the Committee Resolution to be completed by the Project Sponsor in which the Project Sponsor certifies that the Project is in compliance with all of the terms and conditions set forth in the Committee Resolution.

“Certification of Compliance II for Non-Qualified Residential Rental Projects” (~~Revised 9/20/17~~), hereby incorporated by reference, is a form for Applicant/Issuers awarded allocation in 2017 forward. Applicant/Issuers retain the Certification form for a period of three years in place of the Certification of Compliance I (11-16-16) to ensure that the Project Sponsor is reporting all relevant compliance and possible changes to the Project or program to the Applicant.

“Certification of Compliance II for Qualified Residential Rental Projects” (~~Revised 06-01-2017~~), hereby incorporated by reference, is a form for Applicant/Issuers

awarded allocation in 2017 forward. Applicant/Issuers retain the Certification form for a period of three years in place of the Certification of Compliance I (11-16-16) to ensure that the Project Sponsor is reporting all relevant compliance and possible changes to the Project or program to the Applicant.

[...]

“Report of Action Taken” means a report provided by and due to the Committee not more than ~~fifteen~~<sup>three</sup> (15~~3~~) business days following the use of Allocation to issue Bonds or Mortgage Credit Certificates.

Report of Action Taken for Bonds” means the specific Report of Action Taken due to the Committee following the use of Allocation for Qualified Private Activity Bonds (excluding RZBs) titled “Report of Action Taken Regarding the Issuance of Private Activity Bonds.” ~~(revised 11-16-16), which is hereby incorporated by reference.~~

“Report of Action Taken for MCCs” means the specific Report of Action Taken due to the Committee following the use of Allocation to issue Mortgage Credit Certificates Bonds titled “Report of Action Taken Regarding Mortgage Credit Certificate Program.” ~~(revised 1-11-11), which is hereby incorporated by reference.~~

“Report of Action Taken for MCCs (Carryforward)” means the specific Report of Action Taken due to the Committee following the use and/or Carryforward of Allocation to issue Mortgage Credit Certificates titled “Report of Action Taken Regarding a Carryforward Election and a Mortgage Credit Certificate Program.” ~~(revised 11-11-11), which is hereby incorporated by reference.~~

“Report of Action Taken for RZBs” means the specific Report of Action Taken due to the Committee following the use of Allocation for RZBs titled “Report of Action Taken Regarding the Issuance of Recovery Zone Bonds.” ~~(revised 11-30-18), which is hereby incorporated by reference.~~

[...]

“RZEDB Application” means the Application titled “Application for an Award of American Recovery and Reinvestment Act of 2009 Recovery Zone Economic Development Bonds.” ~~(revised 5-5-11), which is hereby incorporated by reference.~~

“RZFB Application” means the Application titled “Application for an Award of American Recovery and Reinvestment Act of 2009 Recovery Zone Facility Development Bonds.” ~~(revised 5-5-11), which is hereby incorporated by reference.~~

[...]

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

## 2. Section 5020. Determination of State Ceiling Pools.

The proposed changes fix technical errors by removing references to being applicable to 2021 projects only, replacing “or” with “and”, as was originally intended, and removing the reference to a section which was previously removed from CDLAC regulations.

The changes also fix an incorrect section numbering, fixes a typo from CTAC to CTCAC, and changed Set-Aside to Set Aside for consistency within the regulations.

### Initial proposed changes:

As soon as practicable after the beginning of each calendar year, and before any Applications are considered, the Committee shall:

(a) [...]

(1) [...]

~~(4)~~(A) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Homeless ~~Set-Aside~~ Set Aside to be available for allocation to New Construction Projects in which at least 25% of the tax credit units are designated for homeless households as defined in Section 10315(b)(1)-(4) of the CTCAC regulations at affordable rents consistent with Section 10325(g)(3) of the CTCAC regulations, and determine what amount, if any, shall be available in each Allocation Round.

(B) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in an Extremely Low/Very Low Income Set Aside to be available for allocation to New Construction Projects that ~~have for Allocation Rounds in 2021,~~ an average AMI of 50% or below ~~or~~ and have received either of the following, and determine what amount, if any, shall be available in each Allocation Round:

(i) [...]

(ii) [...]

(aa) If the project receives points as a Large Family project pursuant to Section 5230(g) and is located in a High Segregation and Poverty Area as specified on CTCAC/HCD Opportunity Area Map, the project shall have income restrictions with a range of at least 30% AMI between the highest and lowest 10% of income-restricted units ~~that meet the requirements of Section 5230(j)(1)(C).~~

[...]

**Comments received:** Staff received one comment stating the option for “average AMI of 50% or below or have received either of the following...” should stay the same. There may be projects that have an average AMI of 50% or below and don’t need specific HCD funding sources.

Staff also received one comment requested to update the use of Set-Aside/Set Aside to be consistent throughout the regulations.

**Response to comments:** Staff clarified the intent of the regulation with the commenter noting there are other leveraged soft resource options besides HCD and the commenter agreed this was acceptable. Staff updated the language to Set Aside.

**Final proposed changes:**

As soon as practicable after the beginning of each calendar year, and before any Applications are considered, the Committee shall:

(a) [...]

(1) [...]

~~(4)~~(A) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Homeless ~~Set-Aside~~ Set Aside to be available for allocation to New Construction Projects in which at least 25% of the tax credit units are designated for homeless households as defined in Section 10315(b)(1)-(4) of the CTCAC regulations at affordable rents consistent with Section 10325(g)(3) of the CTCAC regulations, and determine what amount, if any, shall be available in each Allocation Round.

(B) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in an Extremely Low/Very Low Income Set Aside to be available for allocation to New Construction Projects that ~~have for Allocation Rounds in 2021,~~ an average AMI of 50% or below ~~or~~ and

have received either of the following, and determine what amount, if any, shall be available in each Allocation Round:

(i) [...]

(ii) [...]

(aa) If the project receives points as a Large Family project pursuant to Section 5230(g) and is located in a High Segregation and Poverty Area as specified on CTCAC/HCD Opportunity Area Map, the project shall have income restrictions with a range of at least 30% AMI between the highest and lowest 10% of income-restricted units ~~that meet the requirements of Section 5230(j)(1)(C).~~

[...]

(C) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Mixed Income ~~Set-Aside~~ Set Aside to be available for allocation to New Construction Projects that are Mixed Income Projects, and determine what amount, if any, shall be available in each Allocation Round.

### 3. Section 5035. Preliminary Recommendations

The proposed change fixes a grammatical error staff noticed in the update process.

#### Initial proposed changes:

(a) At least twenty-five (25) calendar days prior to any meeting at which the Committee ~~will~~ is to award Allocations, the Executive Director shall publish a preliminary list of Applicants for which the Executive Director expects to recommend an Allocation (and the amount of those Allocations). During competitive rounds, the following procedures shall be followed for the Qualified Residential Rental Program:

[...]

**Comments received:** Staff received one comment to update the use of Set-Aside/Set Aside and tiebreaker/tie-breaker/tie breaker to be consistent throughout the regulations.

**Response to comments:** Staff updated the language to Set Aside and tiebreaker.

#### Final proposed changes:



(a) At least twenty-five (25) calendar days prior to any meeting at which the Committee ~~will~~ is to award Allocations, the Executive Director shall publish a preliminary list of Applicants for which the Executive Director expects to recommend an Allocation (and the amount of those Allocations). During competitive rounds, the following procedures shall be followed for the Qualified Residential Rental Program:

(1) Within ten (10) calendar days after the application due date, a list of applicants, project names, project locations, selected pools and ~~set-asides~~ set asides, geographic regions, and requested Allocations and all reported self-scoring totals and ~~tie-breaker~~ tiebreaker scores shall be published on the Committee's website as provided in section 5140.

[...]

#### **4. Section 5054. Filing Fees.**

The proposed change clarifies the fee due when applying for allocation is separate from the DDA application fee.

#### **Initial proposed changes:**

Each Applicant shall submit a filing fee in an amount equal to the product of the amount of Allocation actually used to issue Bonds, or Mortgage Credit Certificates multiplied by .00035. The payment of the fee shall be in two installments as follows:

[...]

(c) Initial filing fee for Difficult Development Area/Qualified Census Tract (DDA/QCT) designation retention in the amount of \$1,200 shall accompany the filing of an Application to cover the Committee's reasonable costs associated with reviewing Applications. This portion of the filing fee shall not be refundable under any circumstances and is separate from the initial filing fee required when requesting an allocation.

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

#### **5. Section 5062. Private Placement Sales.**

The proposed changes add information to clarify the requirements of Private Placement Sale documentation.

**Initial proposed changes:**

(a) Subject to subsection (b) below, applications for Bonds to be issued and sold through a private placement will be deemed to have provided satisfactory evidence of a Bond sale plan required in section 5060 if documentation from the Bond purchaser(s) includes the following:

(1) Project Sponsor (borrower).

(2) Project name and location.

(3) Bond purchase amount.

(4) Salient terms and conditions, including but not limited to the fee structure, term, rate, security, collateral, guarantee, expiration date of the commitment, and recourse of the commitment including the interest rate of the agreement.

(5) Evidence that the lender is committed to move forward with the transaction if the terms and conditions in the commitment letter are met.

(6) The commitment is fully executed by the bond purchaser and project sponsor.

**Comments received:** Staff received one comment stating updates are not needed. The commenter stated the letters function as placeholders for applications. Lenders and investors don't fully commit to a project until after a CDLAC award is made due to the delay between an application submission and CDLAC award and the delay between application submission and bond issuance/construction loan closing.

**Response to comments:** The intent of this change is to ensure the commitment is as firm as possible. CDLAC already requires the letters be fully executed and can be contingent on a bond allocation. The changes remain as proposed.

**6. Section 5100. Program Expiration Dates.**

The proposed changes remove the reference to Section 5103 as this section is being proposed to be repealed with these updates and makes a third expiration date standard for all allocation rounds.

Additionally, the proposed changes set three weeks between deadlines and align deadlines for hybrid projects to simplify the process. This change was made to clarify that if a 9% phase of a hybrid has a Readiness Closing deadline from TCAC that is later than the 4% phase's bond allocation expiration date imposed by CDLAC, the later 9% deadline will apply to both phases of the hybrid project.

**Initial proposed changes:**

(b) Notwithstanding extensions as provided in sections 5101 ~~or 5103~~; the limitations prescribed by section 5104; or Allocations awarded on a carry-forward basis as provided in section 5131; the expiration dates for issuing Bonds or converting Bonds to Mortgage Credit Certificate authority shall be:

[...]

(3) For Qualified Residential Rental Project Bonds, the following expiration dates shall be assigned by the Executive Director within five (5) business days following each Allocation Round:

(i) Projects receiving an allocation shall be assigned an expiration date of one-hundred eighty (180) days, or ~~one-hundred ninety-four~~two-hundred one (201~~194~~) days, or two-hundred twenty-two (222) days. If the Committee allocates more than 50% of the year's QRRP Allocation in any one round, there shall be a third expiration date of two-hundred eight (208) days, and the Executive Director shall assign approximately one-third of the projects in that round to each expiration date whenever possible. In the case of hybrid projects, the expiration date shall be the later of the deadline assigned by CDLAC or CTCAC.

**Comments received:**

Staff received one comment requesting clarification in the statement of reasons to state this change was made to clarify that if a 9% phase of a hybrid has a Readiness Closing deadline from CTCAC that is later than the 4% phase's bond allocation expiration date imposed by CDLAC, the later 9% deadline will apply to both phases of the hybrid project.

Staff also received one comment requesting the regulations include hybrid and simultaneous applications.

There was also one comment stating there should be no change to the expiration dates as the current expiration dates of 180 and 194 should be sufficient to allow borrowers and lenders to close projects timely.

**Response to comments:**

Staff determined including simultaneous applications will be considered for a future change after discussion with CTCAC staff. Additionally, staff clarified the expiration dates are chosen at random not creating any advantages for specific developments with

longer expiration dates and the commenter agreed this was acceptable. The changes remain as proposed.

## **7. Section 5101. Extensions to Expiration Dates.**

The proposed changes update the existing extension request process during open applications to all application rounds to address an increase in requested extensions beyond the existing five-day hardship. Staff believes this will allow for quicker response to extension requests on a flow basis rather than waiting for Committee meetings for approval.

~~For allocations during an Open Application Process, T~~he Executive Director may grant an extensions of up to ninety (90) days for all allocations. Any additional extensions must be granted by the Committee. Extension requests must demonstrate that the circumstances were entirely outside the control of the owner.

**Comments received:** Staff received one comment in support of the change. The changes remain as proposed.

## **8. Section 5103. Five Day Hardship Extensions. [Repealed]**

The proposed change to Section 5101 makes Section 5013 unnecessary and is thus being proposed to be repealed.

### **Initial proposed changes:**

~~The Committee may grant an extension to the expiration dates provided in sections 5100 and 5101 up to five (5) additional business days for extreme hardship cases. The Committee may delegate this authority to the Executive Director.~~

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

## **9. Section 5144. Annual Applicant Public Benefits and On-Going Compliance Self-Certification.**

The proposed change updates TCAC references to CTCAC.

### **Initial proposed changes:**

(d) For all QRRP projects receiving allocation after December 31, 2016, compliance with the income and rental requirements of the Federally Bond-

Restricted Units identified in the Committee Resolution and the Bond Regulatory Agreement must be demonstrated by the Applicants initial review of 20% of all management files associated with the Federally Bond-Restricted units and subsequent review every three years of 20% of all management files associated with the Federally Bond-Restricted units. Federally Bond-Restricted units will include a distribution of unit locations, sizes and income levels (if applicable) and must be identified in the PSR. For this 20% of files, Applicants must review each initial or subsequent occupant/s and their associated TIC in conjunction with the supporting income verification documentation of each occupant's initial occupancy and make a determination if the project is complying with the income and affordability standards. Additionally, Applicants must ensure a lease is in place and executed. This review may be performed on-site or may be performed through an electronic file audit. Completion of this task in addition to a valid Certification of Compliance II or equivalent form will provide Issuers with the ability to report annually to CDLAC regarding compliance with the Federally Bond-Restricted unit restrictions. Information pertaining to the income verification process will be kept on file for 10 years. Applicants must retain documentation memorializing review and determination of income eligibility for 10 years. Source income documentation must be retained for 1 year. These guidelines rely on the compliance monitoring process and procedures in place for CTCAC. To the extent CTCAC is to alter their compliance policies and procedures, these guidelines shall be reviewed by CDLAC for consistency and changes made where appropriate.

(e) For all QRRP projects receiving allocation after December 31, 2016, Sponsors requesting an allocation of bonds absent the receipt of a CTCAC reservation will be identified at the time of application and will have the following compliance options which will be represented in the Committee Resolution:

(1) [...]

(2) [...]

(3) A Sponsor can enter into contract with CDLAC or a designee to monitor the Federally Bond-Restricted units for consistency with the bond regulatory agreement and the Committee Resolution. The charge for this service will be equivalent to the compliance fee charged by CTCAC at the time the project submits their application to CDLAC.

Comments received: Staff received no comments on this section. The changes remain as proposed.

## **10. Section 5170. Definitions.**

The proposed changes clarify the definition of BIPOC Entity and Project and require all BIPOC projects to allocate at least 51% of developer fee, cash flow, and sale proceeds to the BIPOC Entity and gives the BIPOC Entity an option to purchase the property, to allow more emerging BIPOC Entities to have access to the pool. Additionally, the proposed changes update references to CTCAC regulations and strike the definition of “Supplemental Allocation Request Letter” as this was superseded by the Supplemental Allocation process in Section 5240.

**Initial proposed changes:**

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

[...]

“BIPOC Entity” means an entity that is at least 51% owned, managed, and controlled by one or more Black, Indigenous, or Other People of Color or by a non-profit organization with a Black, Indigenous, or Other Person of Color executive director/Chief Executive Officer (CEO) and board membership that is comprised of at least 51% Black, Indigenous, and Other People of Color. For purposes of this paragraph, Black, Indigenous, or Other People of Color means “a person who checked the Black or African American, American Indian and Alaska Native, Asian, or Native Hawaiian and Other Pacific Islanders race category or who answered yes to the Hispanic Origin question on the 2020 United States Census.

“BIPOC Project” means a Qualified Residential Rental Project for which the sponsor is a BIPOC Entity. A BIPOC Project may be a New Construction Project, Rural Project, Preservation Project, or Other Rehabilitation Project. The partnership agreement of a BIPOC Project must allocate at least 51% of the developer fee, cash flow, and net sale proceeds to the BIPOC Entity and provide the BIPOC Entity an option to purchase the development. A BIPOC Project does not include a project for which any principal, partner, affiliate, or member of the sponsor entity is eligible to receive maximum General Partner Experience points pursuant to Section 10325(c)(1)(A) of the CTCAC regulations unless those points are awarded to a principal of the BIPOC Entity who no longer is employed by the developer of, or has an ownership interest in, the project(s) which form the basis of the experience points.

[...]

“CTCAC/HCD Opportunity Area Map” shall have the same meaning as in Section 10302(~~zzccc~~) of the CTCAC regulations. An applicant may choose to utilize the census tract or census block group resource designation, as applicable, from the

CTCAC/HCD Opportunity Maps in effect when the initial site control was obtained up to seven calendar years prior to the application. Projects located in map areas designated as “Missing/Insufficient Data” or similar designation shall be considered to be in the resource area that most frequently surrounds the perimeter of the Project’s map area.

[...]

“Other Rehabilitation Project” means a QRRP Project applying for an allocation of tax-exempt private activity bonds from the General Pool that is not eligible for treatment as a New Construction Project or a Preservation Project. In a Competitive Application Process, an Other Rehabilitation Project shall meet all of the following criteria:

1. Shall complete at least \$60,000 in hard construction costs per tax credit unit, as defined in CTCAC Regulation Section 4032010302(x); and
2. At least 60% of hard construction costs shall be expended only on immediate health and safety improvements, seismic and accessibility improvements, and/or the replacement of major systems with a remaining useful life of less than ten years, as evidenced by a CTCAC Capital Needs Assessment.

[...]

~~“Supplemental Allocation Request Letter” means the written request from the Applicant for Supplemental Allocation for Projects having been awarded Allocation within the last thirty six (36) months that may be submitted in lieu of a complete Application. The letter must be signed by the Applicant and include information about the Project including the date and amount of prior Allocation, the current status of the Project, revised sources and uses of funds, justification for the request for additional Allocation, and any additional information the Committee or Executive Director deems necessary.~~

**Comments received:** Staff received one comment stating the General Partner Experience points must come from a Black, Indigenous, and Other Person of Color or a non-profit organization with a Black, Indigenous, or Other Person of Color executive director/Chief Executive Officer (CEO) and board membership that is comprised of at least 51% Black, Indigenous, and Other People of Color.

There was one comment stating the BIPOC entity option to purchase may come after project purchase options or option to purchase the LP for another member of the development team.

Staff also received one comment requesting the regulations define the sponsor of a BIPOC project.

There was also one comment requesting to add parent company to the BIPOC Project definition.

Additionally, there were five comments suggesting CDLAC create a pre-certification process for applicants in the BIPOC Pool.

**Response to comments:** Staff added parent company to the BIPOC Project definition. The suggestion for defining the project sponsor would be a larger change defining a sponsor for all project types and considered for a future change. The option to purchase was suggested by several stakeholders in the initial change process and will remain with this update. The comments for General Partners experience points and pre-certifying BIPOC Pool applicants will require further discussion with stakeholders and considered for a future change.

### **Final proposed changes:**

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

[...]

“BIPOC Entity” means an entity that is at least 51% owned, managed, and controlled by one or more Black, Indigenous, or Other People of Color or by a non-profit organization with a Black, Indigenous, or Other Person of Color executive director/Chief Executive Officer (CEO) and board membership that is comprised of at least 51% Black, Indigenous, and Other People of Color. For purposes of this paragraph, Black, Indigenous, or Other People of Color means “a person who checked the Black or African American, American Indian and Alaska Native, Asian, or Native Hawaiian and Other Pacific Islanders race category or who answered yes to the Hispanic Origin question on the 2020 United States Census.

“BIPOC Project” means a Qualified Residential Rental Project for which the sponsor is a BIPOC Entity. A BIPOC Project may be a New Construction Project, Rural Project, Preservation Project, or Other Rehabilitation Project. The partnership agreement of a BIPOC Project must allocate at least 51% of the developer fee, cash flow, and net sale proceeds to the BIPOC Entity and provide the BIPOC Entity an option to purchase the development. A BIPOC Project does not include a project for which any principal, partner, affiliate, parent organization, or member of the sponsor entity is eligible to receive maximum General Partner



Experience points pursuant to Section 10325(c)(1)(A) of the CTCAC regulations unless those points are awarded to a principal of the BIPOC Entity who no longer is employed by the developer of, or has an ownership interest in, the project(s) which form the basis of the experience points.

[...]

“CTCAC/HCD Opportunity Area Map” shall have the same meaning as in Section 10302(~~zzccc~~) of the CTCAC regulations. An applicant may choose to utilize the census tract or census block group resource designation, as applicable, from the CTCAC/HCD Opportunity Maps in effect when the initial site control was obtained up to seven calendar years prior to the application. Projects located in map areas designated as “Missing/Insufficient Data” or similar designation shall be considered to be in the resource area that most frequently surrounds the perimeter of the Project’s map area.

[...]

“Other Rehabilitation Project” means a QRRP Project applying for an allocation of tax-exempt private activity bonds from the General Pool that is not eligible for treatment as a New Construction Project or a Preservation Project. In a Competitive Application Process, an Other Rehabilitation Project shall meet all of the following criteria:

1. Shall complete at least \$60,000 in hard construction costs per tax credit unit, as defined in CTCAC Regulation Section 4032010302(x); and
2. At least 60% of hard construction costs shall be expended only on immediate health and safety improvements, seismic and accessibility improvements, and/or the replacement of major systems with a remaining useful life of less than ten years, as evidenced by a CTCAC Capital Needs Assessment.

[...]

~~“Supplemental Allocation Request Letter” means the written request from the Applicant for Supplemental Allocation for Projects having been awarded Allocation within the last thirty six (36) months that may be submitted in lieu of a complete Application. The letter must be signed by the Applicant and include information about the Project including the date and amount of prior Allocation, the current status of the Project, revised sources and uses of funds, justification for the request for additional Allocation, and any additional information the Committee or Executive Director deems necessary.~~

## **11. Section 5190. Readiness.**

The proposed change requires site control through the application deadline rather than allocation, to be consistent with CTCAC requirements.

**Initial proposed changes:**

In its Application, the Project Sponsor shall demonstrate its readiness to use the Allocation as set forth in this section.

(a) [...]

(1) [...]

(D) A valid, current, and enforceable contingent purchase and sale agreement or option agreement between the Project Sponsor and the owner of the subject property, ~~including evidence that all extensions necessary to keep the agreement current through the date of the award of Allocation have been executed.~~ Evidence must be provided at the time of the application that all extensions and other conditions necessary to keep the agreement current through the application filing deadline have been executed.

[...]

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

**12. Section 5193. Debt Service Coverage Ratio.**

The proposed change aligns debt coverage ratio requirements with CTCAC requirements.

**Initial proposed changes:**

(a) For Qualified Residential Rental Projects, ~~a the minimum debt service coverage ratio (the ratio of the net operating income from the Project divided by the required debt service on the debt associated with the Project) shall be no less than 1.15 in at least one of the project's first three years~~ meet the requirements outlined in Section 10327(g)(6) of CTCAC Regulations, except for FHA/HUD projects, RHS projects or projects financed by the California Housing Finance Agency.

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

**13. Section 5205. Minimum Requirements.**

The proposed change updates a previous drafting error that omitted one construction standard from CTCAC regulations.

**Initial proposed changes:**

(a) Applicants shall provide a certification that the minimum specifications pursuant to Section 10325(f)(7)(A) thru ~~(J)~~ (K) of the CTCAC Regulations will be incorporated into the project design for all new construction and rehabilitation projects.

**Comments received:** Staff received fifteen comments stating this was not an error and was intentionally excluded from the requirements.

**Response to comments:** Staff revised the update to reference CTCAC regulations section 10326(g)(6) as this is a current requirement for CDLAC projects applying for 4% tax credits.

**Final proposed changes:**

(a) Applicants shall provide a certification that the minimum specifications pursuant to Section ~~10325(f)(7)(A) thru (K)~~ 10326(g)(6) of the CTCAC Regulations will be incorporated into the project design for all new construction and rehabilitation projects.

**14. Section 5230. Evaluation Criteria.**

The proposed changes modify the eligibility criteria for receiving 7 experience points by (1), for joint venture projects that include a BIPOC Entity, increasing the allocation of developer fee, cash flow, and sale proceeds from 50 to 51% and requiring the BIPOC Entity be given an option to purchase the property and (2), for BIPOC Entities that are the sole sponsor, changing the eligibility for BIPOC Entity experience from one project within five years to one project in California in the past 10 years. These changes will allow more emerging California BIPOC Entities to have greater access to the pool.

**Initial proposed changes:**

(f) General Partner and Management Company Experience (10 Points Maximum)

(1) A project shall receive general partner experience points in one of the following manners:

(A) [...]

(B) 7 points if the project is a joint venture between an entity that receives maximum general experience points pursuant to Section 10325(c)(1)(A) of the

CTCAC regulations and a BIPOC Entity, provided that the partnership agreement ~~(i)-allocates a share of the~~ at least 51% of the developer fee, cash flow, and net sale proceeds to the BIPOC Entity that is equal to or greater than the share to the entity with maximum general experience points and (ii) provides the BIPOC Entity an option to purchase the development.

(C) 7 points if the sole sponsor is a BIPOC Entity that

(i) is a general partner in at least one California Low-Income Housing Tax Credit development that has received a certificate of occupancy, or if a rehabilitation project, completed rehabilitation, within ~~five~~ ten years of the date of application,

[...]

**Comments received:** Staff received one comment stating the BIPOC entity option to purchase may come after project purchase options or option to purchase the LP for another member of the development team.

There was one comment to update the use of Set-Aside/Set Aside to be consistent throughout the regulations.

**Response to comments:** The option to purchase was suggested by several stakeholders in the initial change process and will remain with this update. Staff updated the language to Set Aside.

**Final proposed changes:**

(f) General Partner and Management Company Experience (10 Points Maximum)

(1) A project shall receive general partner experience points in one of the following manners:

(A) [...]

(B) 7 points if the project is a joint venture between an entity that receives maximum general experience points pursuant to Section 10325(c)(1)(A) of the CTCAC regulations and a BIPOC Entity, provided that the partnership agreement ~~(i)-allocates a share of the~~ at least 51% of the developer fee, cash flow, and net sale proceeds to the BIPOC Entity that is equal to or greater than the share to the entity with maximum general experience points and (ii) provides the BIPOC Entity an option to purchase the development.

(C) 7 points if the sole sponsor is a BIPOC Entity that

(i) is a general partner in at least one California Low-Income Housing Tax Credit development that has received a certificate of occupancy, or if a rehabilitation project, completed rehabilitation, within five ten years of the date of application,

[...]

(j) Affirmatively Furthering Fair Housing (10 points maximum).

(1) A New Construction project shall receive points in only one of the following manners:

[...]

(ii) Using the sort order described in Section 5231, after projects receiving 10 points pursuant to this subdivision have been recommended for allocations that meet or exceed the following 50% threshold, all remaining projects in each pool or ~~set-aside~~ set aside shall receive 9 points for meeting the requirements of this subdivision. For the purpose of awarding points per round, (excluding an established waiting list), pursuant to this subdivision, 10 points shall be awarded until approximately 50% of the amount available to a pool or ~~set-aside~~ set aside has been allocated. Subsequently, all remaining projects in each pool or ~~set-aside~~ set aside shall receive 9 points for meeting the requirements of this subdivision.

## **15. Section 5231. Ranking.**

The proposed changes limit the number of awards in the BIPOC Pool to one per round and two per year unless the pool is undersubscribed, to allow more Emerging BIPOC Entities to have access to the Pool.

The proposed changes also update the Homeless Set Aside to transfer funds to the Extremely/Very Low Income Set Aside when the Homeless Set Aside is undersubscribed, since many Homeless Projects also qualify for Extremely/Very Low Income, updates the use of surplus bond allocation to be available to all projects rather than new construction only, eliminating the need for (4), and makes the tie breaker boost for prevailing wages applicable only to projects where prevailing wages are paid on the entire project.

### **Initial proposed changes:**

After all Applications for Qualified Residential Rental Projects are evaluated pursuant to Section 5230, the Applications shall be ranked and may be awarded an Allocation as follows, except that a project shall not receive a bond allocation if it had requested and is not scheduled to receive an award of State Tax Credits:

[...]

(d) Applications for BIPOC Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for BIPOC Projects awarded the greatest number of points after factoring in the tie breaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the BIPOC Pool. Applications for BIPOC Projects not receiving an Allocation pursuant to this subdivision shall be eligible for consideration for an Allocation under subdivisions (a), (b), (c), and (e) of this section. The number of awards received by individuals, entities, affiliates, and related entities is limited to no more than one (1) per competitive round and two (2) per year unless the pool is undersubscribed. This limitation is applicable to a project applicant, developer, sponsor, owner, general partner, and to parent companies, principals of entities, and family members.

(e) Applications for Qualified Residential Rental Projects that are New Construction Projects, exclusive of Rural Projects, will then be ranked together. Applications receiving the greatest number of points after factoring in the tie breaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the New Construction Pool in the following manner.

(1)(A) Set Aside application selection. Beginning with the top ranked application from the Homeless Set Aside, subject to the conditions in Section 5231(e)(1)(B), followed by the Extremely Low/Very Low Income Set Aside, and the Mixed Income Set Aside, the highest scoring applications in each Set Aside shall be awarded an Allocation pursuant to the procedures in Section 5231(f). A project that meets the criteria of both the Homeless Set Aside and the Extremely Low/Very Low Income Set Aside shall be eligible for an allocation from either Set Aside. If the Homeless Set Aside is undersubscribed in a competitive round the remaining funds will transfer to the Extremely/Very Low Income Set Aside. All New Construction Projects, exclusive of Rural Projects, that do not receive an allocation from a Set Aside shall be eligible for an allocation from their respective geographic region pursuant to subdivision (e)(2).

(B) [...]

(2) [...]

(3) In the final allocation round of the year, any bonds remaining in any QRRP pool, Set Aside, or geographic region shall be allocated to the highest-ranking ~~New Construction~~ Project or Projects. Those amounts shall not be added to the respective QRRP pool, Set Aside, or geographic region in the following year, and any allocations pursuant to this paragraph shall not be subtracted from the geographic allocations in the following year.

~~(4) At the last allocation meeting of the year, the Committee shall establish a waiting list of new Construction Projects that have not received an allocation in the final allocation round, ordered from highest to lowest ranking.~~

[...]

(g) [...]

(2) The cost-adjusted Bond and State Credit Allocation shall be calculated by reducing the unadjusted Bond and State Credit Allocation request by the following, as applicable:

(A) 15% for projects that are paid for in whole or in part out of public funds and are subject to a legal requirement for the payment of state or federal prevailing wages on the entire project.

**Comments received:** Staff received one comment to note the award limit is in the BIPOC Pool. There was also one comment to clarify who the limit applies to. There was one comment objecting to the limit on awards in the BIPOC Pool.

There were sixteen comments recommending adding a priority to New Construction Projects when allocating funds in the final funding round of the year.

Staff also received one comment to update the use of Set-Aside/Set Aside and tiebreaker/tie-breaker/tie breaker to be consistent throughout the regulations.

**Response to comments:** Staff added clarification to the limit being in the BIPOC Pool, who the limit applies to, and updated the language to tiebreaker. The limit on awards was recommended by several stakeholders and will remain in the current set of changes. Further changes will be considered in the future.

### **Final proposed changes:**

After all Applications for Qualified Residential Rental Projects are evaluated pursuant to Section 5230, the Applications shall be ranked and may be awarded an Allocation as follows, except that a project shall not receive a bond allocation if it had requested and is not scheduled to receive an award of State Tax Credits:

(a) Applications for Rural Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for Rural Projects awarded the greatest number of points after factoring in the ~~tie-breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the Rural Pool. Applications for Rural Projects not receiving an Allocation will not be eligible for consideration for an Allocation under subdivisions (b), (c) or (e) of this section.

[...]

(c) Applications for Other Rehabilitation Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for Other Rehabilitation Projects awarded the greatest number of points after factoring in the ~~tie breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the Other Rehabilitation Pool. Applications for Other Rehabilitation Projects not receiving an Allocation pursuant to this subdivision will not be eligible for consideration for an Allocation under subdivisions (a), (b) or (e) of this section.

(d) Applications for BIPOC Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for BIPOC Projects awarded the greatest number of points after factoring in the ~~tie breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the BIPOC Pool. Applications for BIPOC Projects not receiving an Allocation pursuant to this subdivision shall be eligible for consideration for an Allocation under subdivisions (a), (b), (c), and (e) of this section. The number of awards received by individuals, entities, affiliates, and related entities in the BIPOC Pool is limited to no more than one (1) per competitive round and two (2) per year unless the pool is undersubscribed. This limitation is applicable to project applicants, developers, sponsors, owners, general partners, and to parent companies, principals of entities, and family members.

(e) Applications for Qualified Residential Rental Projects that are New Construction Projects, exclusive of Rural Projects, will then be ranked together. Applications receiving the greatest number of points after factoring in the ~~tie breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the New Construction Pool in the following manner.

(1)(A) Set Aside application selection. Beginning with the top ranked application from the Homeless Set Aside, subject to the conditions in Section 5231(e)(1)(B), followed by the Extremely Low/Very Low Income Set Aside, and the Mixed Income Set Aside, the highest scoring applications in each Set Aside shall be awarded an Allocation pursuant to the procedures in Section 5231(f). A project that meets the criteria of both the Homeless Set Aside and the Extremely Low/Very Low Income Set Aside shall be eligible for an allocation from either Set Aside. If the Homeless Set Aside is undersubscribed in a competitive round the remaining funds will transfer to the Extremely/Very Low Income Set Aside. All New Construction Projects, exclusive of Rural Projects, that do not receive an allocation from a Set Aside shall be eligible for an allocation from their respective geographic region pursuant to subdivision (e)(2).



(B) [...]

(2) [...]

(3) In the final allocation round of the year, any bonds remaining in any QRRP pool, Set Aside, or geographic region shall be allocated to the highest-ranking ~~New Construction~~ Project or Projects. Those amounts shall not be added to the respective QRRP pool, Set Aside, or geographic region in the following year, and any allocations pursuant to this paragraph shall not be subtracted from the geographic allocations in the following year.

~~(4) At the last allocation meeting of the year, the Committee shall establish a waiting list of new Construction Projects that have not received an allocation in the final allocation round, ordered from highest to lowest ranking.~~

[...]

(g) [...]

(2) The cost-adjusted Bond and State Credit Allocation shall be calculated by reducing the unadjusted Bond and State Credit Allocation request by the following, as applicable:

(A) 15% for projects that are paid for in whole or in part out of public funds and are subject to a legal requirement for the payment of state or federal prevailing wages on the entire project.

## 16. Section 5233. Allocation Limits.

The proposed change clarifies that the allocation limit applies to all units in the development and removes the reference of being adjusted for the number of bedrooms, since the table showing the limits does this.

### Initial proposed changes:

(a) Limit CDLAC bond allocation on all units on a per-unit basis ~~(adjusted by the number of bedrooms)~~ in the QRRP Pools as follows:

Studio and SRO:	\$522,000
One-bedroom:	\$544,000
Two-bedroom:	\$580,000
Three-bedroom:	\$638,000
Four- or more bedroom:	\$671,000

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

### **17. Section 5241. Realignment of Expiration Dates.**

The proposed change would reset the bond issuance deadline on all unissued allocations to the most recent allocation, in order to provide more clarity for projects receiving multiple Supplemental Allocations.

**Initial proposed changes:**

Projects awarded a Supplemental Allocation for which no Bonds were issued from the original award, or any prior Supplemental Allocation, shall have the expiration date of the most recent original allocation.

**Comments received:** Staff received no comments on this section. The changes remain as proposed.

### **18. Section 5314. Program Provisions.**

This was not included in the preliminary changes.

**Initial proposed changes:**

The Extra Credit Teacher Home Purchase Program proposed by the Applicant must, at a minimum, include all of the following:

[...]

(f) A priority system such that:

(1) In the event an Applicant's program is oversubscribed, the Applicant must provide assistance to Eligible Teachers and Eligible Administrators before providing such assistance to other eligible Program Participants.

(2) Eligible Teachers with National Board Certification shall have priority over Eligible Teachers without such certification.

(3) Applicants may determine how each priority will be implemented (e.g., a program ~~set aside~~ set aside) and shall indicate such in the Application.

**Comments received:** Staff received one comment to update the use of Set-Aside/Set Aside.

**Response to comments:** Staff updated the language to Set Aside. The changes remain as proposed.



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# CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE (CDLAC) REGULATIONS

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August 6, 2024



# California Debt Limit Allocation Committee Regulations

## Table of Contents

<b>Chapter 1. General Provisions</b> .....	1
Article 1. Definitions .....	1
§ 5000. Definitions.....	1
Article 2. State Ceiling and Application Process .....	9
§ 5010. Determination of State Ceiling, Competitiveness, and Minimum Points. ....	9
Article 3. State Ceiling Pools .....	10
§ 5020. Determination of State Ceiling Pools.....	10
§ 5021. Rescheduling of Calendar.....	12
§ 5022. Geographic Apportionments. ....	12
Article 4. Application Schedule and Procedures.....	<del>13</del> 1313
§ 5030. Announcement of Application Deadlines.....	<del>13</del> 1313
§ 5031. Eligible Applicants.....	13
§ 5032. Applicant Responsibilities. ....	<del>14</del> 1414
§ 5033. Minimum Application Requirements.....	14
§ 5034. Ranking. ....	14
§ 5035. Preliminary Recommendations. ....	15
§ 5036. Appeals to Preliminary Recommendations. ....	15
§ 5037. Final Recommendations. ....	15
§ 5038. Appeals to Final Recommendations. ....	16
§ 5039. Publishing of Agenda. ....	16
Article 5. Performance Deposits and Fees.....	16
§ 5050. Performance Deposit Requirements. ....	16
§ 5051. Release of Performance Deposit. ....	16
§ 5052. Forfeiture of Performance Deposit.....	17
§ 5053. Withdrawn or Denied Applications. ....	17
§ 5054. Filing Fees. ....	18
§ 5055. [Repealed].....	18
§ 5056. [Repealed].....	<del>19</del> 1919
Article 6. Bond Sale Structure Requirements .....	19



# California Debt Limit Allocation Committee Regulations

§ 5060. Minimum Requirements.....	19
§ 5061. Credit Enhanced Sales. ....	19
§ 5062. Private Placement Sales.....	20
§ 5063. Unenhanced Bond Sales with an A Category or Higher Rating Including Sales Where Cash is the Collateral.....	21
§ 5064. Unenhanced Bond Sales with a BBB Category Credit Rating.....	21
§ 5065. Unenhanced Sales with Unrated or Non-Investment Grade Credit Rating. ....	22
§ 5066. Qualifying Bond Defaults. ....	<del>23</del> <sup>23</sup>
Article 7.Committee Resolution; Use of State Ceiling Allocations.....	23
§ 5080. Granting of Allocation.....	23
§ 5081. Changes in Use of Allocation. ....	23
§ 5082. Certification of Bond Issuance.....	24
Article 8.Expiration of Allocations .....	24
§ 5100. Program Expiration Dates. ....	24
§ 5101. Extensions to Expiration Dates. ....	<del>25</del> <sup>25</sup>
§ 5102. Recovery Zone Bond Extensions. [Repealed] .....	25
§ 5103. Five Day Hardship Extensions. <del>[Repealed]</del> .....	25
§ 5104. Year-End Allocations.....	25
§ 5105. Reversion to Committee. ....	25
§ 5106. State Single Family Programs.....	<del>26</del> <sup>26</sup>
§ 5107. Veterans Home Loan Programs. [Renumbered] .....	26
Article 9.Transfers of Allocation .....	26
§ 5120. Transfer Requirements.....	26
Article 10. Carry-Forward Allocations.....	26
§ 5130. Prohibitions.....	<del>27</del> <sup>27</sup>
§ 5131. Granting of Carryforward Allocations.....	<del>27</del> <sup>27</sup>
§ 5132. Expiration of Carryforward Allocations.....	27
§ 5133. Use of Carryforward. ....	27
Article 11.Reporting and Compliance Requirements .....	<del>28</del> <sup>28</sup>
§ 5140. Contact Information.....	<del>28</del> <sup>28</sup>
§ 5141. Notification of Bond Issue. ....	28
§ 5142. Report of Action Taken. ....	28



# California Debt Limit Allocation Committee Regulations

§ 5143. Notification of Carryforward Election.....	28
§ 5144. Annual Applicant Public Benefits and On-Going Compliance Self Certification.....	28
§ 5145. Certification of Compliance.....	30
§ 5146. Disqualification.....	<del>31</del> 31
Article 12.Universal Evaluation Criteria for All Applications.....	31
§ 5150. Satisfactory Evidence.....	31
§ 5151. Evaluation of Points.....	31
§ 5152. Readiness Threshold.....	<del>32</del> 32
§ 5153. Measurement of Distance.....	32
§ 5154. Discovery of Erroneous Information.....	32
§ 5155. [Repealed].....	32
<b>Chapter 2.Qualified Residential Rental Projects.....</b>	<b>33</b>
Article 1.Definitions.....	33
§ 5170. Definitions.....	33
Article 2.Applications.....	37
§ 5180. Application Process.....	37
§ 5181. Concurrent Application with Other Agencies.....	37
§ 5182. Concurrent Application with CTCAC.....	37
§ 5183. Subsequent Application with CTCAC.....	<del>38</del> 37
Article 3.Minimum Requirements.....	38
§ 5190. Readiness.....	38
§ 5191. Income and Rent Restrictions.....	40
§ 5192. Minimum Term of Restrictions.....	<del>41</del> 41
§ 5193. Debt Service Coverage Ratio.....	42
§ 5194. Project Sources & Uses and Project Costs.....	<del>43</del> 43
Article 4.Market Studies.....	43
§ 5200. Minimum Requirements.....	43
Article 5.Sustainable Building Standards.....	44
§ 5205. Minimum Requirements.....	44
Article 6.Acquisition and Rehabilitation Projects.....	44
§ 5210. Minimum Expenditures.....	44
§ 5211. Tenant Relocation.....	44



# California Debt Limit Allocation Committee Regulations

§ 5212. Capital Needs Assessment.....	45
Article 7.Post Issuance Oversight and Termination of Project-Based Subsidies.....	45
§ 5220. Regulatory Compliance.....	45
§ 5221. Disqualification. [Repealed].....	46
Article 8.Evaluation Criteria.....	<u>4746</u>
§ 5230. Evaluation Criteria.....	<u>4747</u>
§ 5231. Ranking.....	<u>5251</u>
§ 5232. Competitive Application Process Maximum Allocation Amount.....	55
§ 5233. Allocation Limits.....	56
Article 9.Supplemental Allocation.....	56
§ 5240. Supplemental Allocation Process.....	56
§ 5241. Realignment of Expiration Dates.....	57
Article 10.Scattered Site Applications.....	57
§ 5250. Application Requirements.....	57
§ 5251. Evaluation Criteria.....	58
Article 11.Application Process for Projects Assisted by the U.S. Department of Housing and Urban Development.....	58
§ 5255. Application Requirements.....	58
§ 5256. Evaluation Criteria.....	59
Article 12.Expiring Projects in Difficult Development Areas.....	59
§ 5258. Eligibility Retention.....	59
Article 13.Qualified Residential Rental Project Allocation Request Process for December 2017 [Repealed].....	60
§ 5259. Allocation Request Requirements. [Repealed].....	60
<b>Chapter 3.Single Family Housing</b> .....	61
Article 1.Definitions.....	61
§ 5260. Definitions.....	61
Article 2.Eligibility Requirements.....	62
§ 5265. Application Process.....	62
§ 5266. Participation Goals.....	62
§ 5267. Consistency with Adopted Housing Elements.....	63
§ 5268. Mortgage Revenue Bond Eligibility.....	63
§ 5269. Mortgage Credit Certificate Eligibility.....	63





# California Debt Limit Allocation Committee Regulations

§ 5270. Exceptions to Minimum Requirements. ....	64
§ 5271. Allocation Method. ....	64
§ 5273. Income and Purchase Price Certification. ....	64
Article 3. Evaluation Criteria. ....	64
§ 5275. Minimum Goals. ....	64
Article 4. Single Family Housing Bonus Pool. ....	65
§ 5280. Eligibility Requirements. ....	65
§ 5281. Evaluation Criteria. ....	65
§ 5282. Allocation Method. ....	66
§ 5283. Excess Bonus Pool Distribution. ....	66
Article 5. Veterans Home Loan Program. ....	67
§ 5290. Veterans Home Loan Program (VHLP). ....	67
§ 5291. VHLP Reporting Requirements. ....	67
<b>Chapter 4. Extra Credit Teacher Home Purchase Program</b> .....	<b>68</b>
Article 1. Definitions. ....	68
§ 5300. Definitions. ....	68
Article 2. Eligibility Requirements. ....	70
§ 5310. Application Process. ....	70
§ 5311. Application of Standards. ....	70
§ 5312. Applicant Eligibility. ....	70
§ 5313. Program Goals. ....	71
§ 5314. Program Provisions. ....	71
§ 5315. Alternative Schools. [Repealed]. ....	72
Article 3. Evaluation Criteria. ....	72
§ 5320. Evaluation Criteria. ....	72
§ 5321. Allocation Amount. ....	73
Article 4. Reporting Requirements. ....	73
§ 5330. Specific Reports. ....	73
Article 5. Noncompliance. ....	74
§ 5340. Monetary Assessment. ....	74
<b>Chapter 5. Single Family Housing Home Improvement and Rehabilitation Program</b> .....	<b>75</b>
Article 1. Definitions. ....	75



# California Debt Limit Allocation Committee Regulations

§ 5342. Definitions.....	75
Article 2. Eligibility Requirements .....	75
§ 5343. Application Process.....	75
§ 5344. Minimum Requirements.....	75
§ 5345. Exceptions to Minimum Requirements. ....	76
Article 3. Evaluation Criteria .....	76
§ 5346. Past Performance.....	76
§ 5347. Potential Public Benefits Calculation. ....	77
Article 4. Reporting Requirements .....	77
§ 5348. Program Performance Monitoring. ....	77
<b>Chapter 6. Small-Issue Industrial Development Bond Program .....</b>	<b>78</b>
Article 1. Definitions .....	78
§ 5350. Definitions.....	78
Article 2. Applications.....	79
§ 5360. Application Process.....	79
§ 5361. Allocations to CIDFAC. [Repealed] .....	79
§ 5362. Transfer of Allocation by CIDFAC. [Repealed] .....	79
§ 5363. Reporting Requirements. [Repealed] .....	79
Article 3. Evaluation Criteria .....	79
§ 5369. Minimum Requirements.....	79
§ 5370. Evaluation Criteria. ....	79
§ 5371. Enterprise/Empowerment Zone Facility Bond Projects.....	84
§ 5372. Permits. [Repealed] .....	84
Article 4. Small Business Program .....	84
§ 5380. Allocations to CIDFAC. [Repealed] .....	84
§ 5381. Minimum Requirements. [Repealed] .....	84
§ 5382. Evaluation Criteria. [Repealed] .....	84
§ 5383. Transfer of Allocation by CIDFAC. [Repealed] .....	85
§ 5384. Reporting Requirements. [Repealed] .....	85
<b>Chapter 7. Exempt Facility Bond Program .....</b>	<b>86</b>
Article 1. Definitions .....	86
§ 5400. Definitions.....	86



# California Debt Limit Allocation Committee Regulations

Article 2.Applications.....	86
§ 5410. Application Process.....	86
§ 5411. Allocations to CPCFA.....	86
Article 3.Eligibility Requirements .....	87
§ 5420. Justification of Tax-Exempt Funds.....	87
§ 5421. CEQA Requirements.....	87
§ 5422. Permits.....	87
§ 5423. Review of New Technologies.....	87
Article 4.Evaluation Criteria .....	88
§ 5430. Environmental Goals.....	88
§ 5431. Disposal of Solid Waste.....	88
§ 5432. Non-Solid Waste Projects. ....	88
§ 5433. Use of Taxable Debt. ....	89
§ 5434. Local Support. ....	89
§ 5435. Conversion of Taxable Debt. ....	89
Article 5.Allocation Procedure.....	89
§ 5440. Ranking. ....	89
<b>Chapter 8.Student Loan Programs .....</b>	<b>91</b>
Article 1.Definitions .....	91
§ 5450. Definitions.....	91
Article 2.Eligibility Requirements .....	91
§ 5460. Application Process.....	91
§ 5461. Minimum Requirements.....	91
Article 3.Evaluation Criteria .....	92
§ 5470. Evaluation and Ranking.....	92
<b>Chapter 9.Recovery Zone Economic Development Bond (RZEDB) Program [Repealed] .....</b>	<b>94</b>
Article 1.The American Recovery and Reinvestment Act of 2009 (ARRA) [Repealed].....	94
§ 5480. U.S. Treasury Designated Recovery Zone Bond Allocations. [Repealed] .....	94
Article 2.Application Process for the Recovery Zone Economic Development Bond Reallocation Pool [Repealed]	94
§ 5490. Application Process. [Repealed] .....	94
§ 5491. Minimum Threshold Requirements. [Repealed] .....	94
§ 5492. Minimum Application Requirements. [Repealed] .....	94



# California Debt Limit Allocation Committee Regulations

§ 5493. Reallocation Priority System. [Repealed].....	94
§ 5494. Undersubscribed Allocation. [Repealed] .....	94
Article 3. Specific Evaluation Criteria [Repealed] .....	95
§ 5500. Evaluation Criteria. [Repealed] .....	95
Article 4. Reporting Requirements [Repealed].....	95
§ 5510. Reports and Timeframes. [Repealed] .....	95
<b>Chapter 10. Recovery Zone Facility Bond (RZFB) Program [Repealed]</b> .....	<b>96</b>
Article 1. The American Recovery and Reinvestment Act of 2009 (ARRA) [Repealed].....	96
§ 5520. U.S. Treasury Designated Recovery Zone Bond Allocations. [Repealed] .....	96
Article 2. Application Process for the Recovery Zone Facility Bond Reallocation Pool [Repealed] .....	96
§ 5530. Application Process. [Repealed] .....	96
§ 5531. Minimum Threshold Requirements in Addition to the Minimum Application Requirements in Section 5033. [Repealed] .....	96
§ 5532. Minimum Application Requirements. [Repealed] .....	96
§ 5533. Reallocation Priority System. [Repealed].....	96
§ 5534. Undersubscribed Allocation. [Repealed] .....	96
Article 3. Specific Evaluation Criteria [Repealed] .....	97
§ 5540. Evaluation Criteria. [Repealed] .....	97
Article 4. Reporting Requirements [Repealed].....	97
§ 5550. Reports and Timeframes. [Repealed] .....	97
<b>Chapter 11. Qualified Energy Conservation Bond Program [Repealed]</b> .....	<b>98</b>
Article 1. Definitions [Repealed].....	98
§ 5560. Definitions. [Repealed] .....	98
Article 2. Eligibility Requirements [Repealed] .....	98
§ 5570. Application Process. [Repealed] .....	98
§ 5571. Minimum Requirements. [Repealed] .....	98
§ 5572. Reallocation of Waived Allocation. [Repealed].....	98
§ 5572. Reallocation of Waived Allocation. [Repealed].....	98
Article 3. Evaluation Criteria [Repealed].....	98
§ 5580. Evaluation Criteria. [Repealed] .....	98
Article 4. Reporting Requirements [Repealed].....	99
§ 5590. Reports and Timeframes. [Repealed] .....	99



# California Debt Limit Allocation Committee Regulations

<b>Chapter 12. Beginning Farmer Program</b> .....	100
Article 1. Definitions .....	100
§ 5600. Definitions.....	100
Article 2. Evaluation Criteria .....	101
§ 5610. Minimum Requirements.....	101
§ 5620. Scoring Criteria. ....	101
§ 5630. Allocation Distribution.....	103
Article 3. Reporting Requirements .....	103
§ 5640. Specific Reports. ....	103
<b>Chapter 13. Qualified Public Educational Facility Bond (Qpefb) Program [Repealed]</b> .....	104
Article 1. Definitions [Repealed].....	104
§ 5700. Definitions. [Repealed] .....	104
Article 2. Applications [Repealed] .....	104
§ 5710. Application Process. [Repealed] .....	104
§ 5711. Allocations. [Repealed].....	104
Article 3. Eligibility [Repealed].....	104
§ 5720. Project Readiness. [Repealed] .....	104
§ 5721. Permits. [Repealed] .....	104
§ 5722. Eligibility Requirement. [Repealed] .....	104
Article 4. Reporting and Regulatory Requirements [Repealed] .....	105
§ 5730. Specific Reports. [Repealed] .....	105
§ 5731. Regulatory Compliance. [Repealed] .....	105



# California Debt Limit Allocation Committee Regulations

## 4 CCR Sections 5000 et seq.

### Chapter 1. General Provisions

#### Article 1. Definitions

##### § 5000. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this division are defined as follows:

“Accredited Investor”, also known as a “Sophisticated Investor”, means an entity as defined by the United States Securities and Exchange Commission under Rule 501, regulation D of the Securities Act of 1933.

“Allocation” means the portion of the State Ceiling awarded by the Committee to an Applicant.

“Allocation Round” means a meeting or series of meetings of the Committee during which a predetermined portion of the State Ceiling is made available for allocation by the Committee to one or more Applicants selected by the Committee during that meeting or series of meetings.

“Annual Applicant Public Benefits and Ongoing Compliance Self-Certification (Revised 9/20/17)”, hereby incorporated by reference, means the document in the online compliance certification system to be completed by the Issuer in which the Issuer certifies that the Project is in compliance with all of the terms and conditions set forth in the Committee Resolution.

“Applicant” means the following entities submitting an Application to the Committee:

- a state or local governmental agency; or
- a joint powers authority (JPA) applying for bond allocation for a project, except for projects described in Government Code Section 6586.5(c), that is or will be located entirely within the geographical boundaries of one or more of the JPA's members; or
- a special district; or
- a nonprofit public benefit corporation that issues only student loan bonds; or
- any other public agency that is empowered to issue debt. “Application” means the request by an Applicant to the Committee for an Allocation of the State Ceiling which shall include the information specified in article 4 of this chapter.

“Bond” means either a Qualified Private Activity Bond or a Governmental Bond as defined in this section.

“Bond Default” means a material default as defined within an Issuer's Bond documents, but does not include for the purposes of this definition, defaults that are technical in nature such as a failure to maintain covenants, failing to charge rates sufficient to meet rate covenants, failing to maintain insurance on the Project, or failing to fund various reserves.

“Bond Issuance and Post Issuance Compliance Policies” means policies established by an Applicant to guide the process of issuing private activity bonds and ensuring post-issuance compliance including but not limited to a



## California Debt Limit Allocation Committee Regulations

description of the fee structure, application and approval process (including TEFRA), threshold eligibility criteria for applicants and projects, long term regulatory requirements (if any), and monitoring practices.

“Bond Regulatory Agreement” means the agreement between the Issuer, Project Sponsor, and any third party related to the ownership, financing, and management of a proposed Qualified Residential Rental Project that binds the parties to the commitments made in the Application that resulted in the Allocation for the Project and any other requirements mandated by 26 U.S.C. section 142.

“CIEDB” means the California Infrastructure and Economic Development Bank.

“Cash Flow Permanent Bond” means a bond where the identified payment source is based on cash flow availability in the form of residual payments and that are issued for the purposes of providing permanent financing that (i) does not meet CDLAC’s Debt Service Coverage Ratio requirement in Section 5193 and that, (ii) together with all other Bonds not meeting CDLAC’s Debt Service Coverage Ratio requirements in Section 5193 (if any), exceed 5% of the total project cost.

“Census Designated Place” means a place designated as a census designated place by the Bureau of the Census.

“Certificate of Completion for Non-Qualified Residential Rental Projects” ~~(Revised 06-01-2017), hereby incorporated by reference,~~ submitted by the Project Sponsor of a Non-Qualified Residential Rental Project, certifies that all work on the Project was substantially completed, along with the aggregate amount disbursed on the loan for qualified project costs. In addition, the officer’s signature indicates that no more than 2% of the proceeds of the bonds issued were spent on the cost of the bond issuance.

“Certificate of Completion for Qualified Residential Rental Projects” ~~(Revised 06-01-2017), hereby incorporated by reference,~~ submitted by the Project Sponsor of a Qualified Residential Rental Project, and certifies that all work on the Project was substantially completed, along with the aggregate amount disbursed on the loan for qualified project costs. In addition, the officer’s signature indicates that no more than 2% of the proceeds of the bonds issued were spent on the cost of the bond issuance.

“Certification of Compliance I” ~~(Revised 11-16-16), hereby incorporated by reference,~~ means the document provided in the Committee Resolution to be completed by the Project Sponsor in which the Project Sponsor certifies that the Project is in compliance with all of the terms and conditions set forth in the Committee Resolution.

“Certification of Compliance II for Non-Qualified Residential Rental Projects” ~~(Revised 9/20/17), hereby incorporated by reference,~~ is a form for Applicant/Issuers awarded allocation in 2017 forward. Applicant/Issuers retain the Certification form for a period of three years in place of the Certification of Compliance I (11-16-16) to ensure that the Project Sponsor is reporting all relevant compliance and possible changes to the Project or program to the Applicant.

“Certification of Compliance II for Qualified Residential Rental Projects” ~~(Revised 06-01-2017), hereby incorporated by reference,~~ is a form for Applicant/Issuers awarded allocation in 2017 forward. Applicant/Issuers retain the Certification form for a period of three years in place of the Certification of Compliance I (11-16-16) to ensure that the Project Sponsor is reporting all relevant compliance and possible changes to the Project or program to the Applicant.

“Committee” means the California Debt Limit Allocation Committee established by California Government Code sections 8869.80 et seq.

“Committee Resolution” means for any Allocation, the resolution duly adopted by the Committee that, among other things, memorializes the grant of the Allocation by the Committee to the Applicant.

“Competitive Application Process” means the procedure under which the Committee shall evaluate an Application for an award of Allocation that is competitive based upon the number of points each Application is awarded.



## California Debt Limit Allocation Committee Regulations

Applications submitted under this process shall be awarded points only when the Project qualifies for those points and evidence supporting an award of points is documented in the Application when submitted.

“Credit Enhancement” means the additional assurance provided by a third party pursuant to a payment guaranty, letter of credit, bond insurance or other similar vehicle with a marketable investment grade credit rating.

“Credit Enhancer” means the party providing Credit Enhancement.

“CSFA” means the California School Finance Authority.

“CTCAC” means the California Tax Credit Allocation Committee.

“Distressed Community” means a community that the Applicant demonstrates to be any one or more of the following:

- A community with an unemployment rate equal to or greater than 125% of the statewide average based on the California Employment Development Department's most recent annual average for sub-county areas.
- A community with median family income of less than 80% of the statewide average based on the most recent census data available for cities or Census Designated Places. If no city or Census Designated Place level data is available, or if the Applicant chooses to identify a project benefit area that is smaller than a city or Census Designated Place, such as census tract or tracts, smaller areas will be used.
- A community with a poverty rate equal to or greater than 110% of the statewide average based on the most recent census data available for cities or Census Designated Places. If no city or Census Designated Place level data is available, or if the Applicant chooses to identify a project benefit area that is smaller than a city or Census Designated Place such as a census tract or tracts, smaller geographic areas will be used.
- A community or county affected by a state of emergency within California and declared a disaster by the President of the United States, the Administrator of the United States Small Business Administration, or the United States Secretary of Agriculture, or declared to be in a State of Emergency by the Governor of the State of California.

“Draw-down Bond Issuance” means a draw-down loan as defined for purposes of 26 U.S.C. sections 103 and 141 through 150 (generally, a Bond issue in which Bonds are delivered to the Bond purchaser intermittently as funds are needed by the Bond Issuer and the Bond Issuer only provides payments based on the amount of Bonds drawn-down).

“Executive Director” means the Executive Director of the Committee.

“Exempt Facility Project” means a Project financed with an exempt facility bond satisfying the requirements of 26 U.S.C. section 142, except that airports, docks and wharves, governmentally owned solid waste disposal facilities, and Qualified Residential Rental Projects shall not be considered exempt facilities for purposes of these regulations.

“Exempt Facility Project Pool” means the reserve of the State Ceiling established by the Committee for Exempt Facility Projects.

“Extra Credit Teacher Home Purchase Program” means a program offering Mortgage Credit Certificates or loans funded by Mortgage Revenue Bonds to eligible teachers, eligible administrators, eligible classified employees, and eligible staff members for the purpose of assisting them in becoming homeowners.

“Extra Credit Teacher Home Purchase Program Pool” means the reserve of the State Ceiling established by the Committee for the Extra Credit Teacher Home Purchase Program.





## California Debt Limit Allocation Committee Regulations

“Federally Bond-Restricted Units” are Project units that are restricted pursuant to 26 U.S.C. Section 142 (d)(1)(A) or (B).

“General Project Pool” means a reserve within the Qualified Residential Rental Project Pool that may be established by the Committee that does not include either Rural Projects or Mixed Income Projects.

“Governmental Bond” means a Bond issued by or on behalf of a governmental entity that is not considered a Qualified Private Activity Bond.

“Investor Representation Letter” means a letter from initial investors of a Bond offering that includes but is not limited to a certification that they reasonably meet the standards of a Sophisticated Investor or Qualified Institutional Buyer, that they are purchasing Bonds for their own account, that they have the sophistication to evaluate the merits and risks of the investment and suffer a loss of the investment, that they have been furnished all the information which they and their advisers requested on the offering and have had an opportunity to ask questions relating to that information, and other such matters.

“Issuer” means an entity empowered to issue Bonds.

“Job Creation” means new permanent full-time jobs created by the Project Sponsor. The number of jobs created shall be calculated after deducting any jobs within the State that are eliminated by the company. Job Creation must be met within two (2) years following the completion of the Project. The Job Creation requirement may be monitored by CIEDB utilizing California Employment Development Department employment statistics.

“Job Wage” means the average hourly general manufacturing wage for the Metropolitan Statistical Area in which a Project is located, based on the Bureau of Labor Statistics Series Code from the California Employment Development Department. If a Project is not located in an area for which the Employment Development Department keeps hourly wage data or not located in a defined Metropolitan Statistical Area, the closest comparable area in which hourly wage is available may be used.

“LEED Certified” means Leadership in Energy & Environmental Design certification by the U.S. Green Building Council.

“Local Issuer” means a local government entity that issues Mortgage Revenue Bonds or Mortgage Credit Certificates for Single Family Housing Programs or small-issue industrial development Bonds or a joint powers authority that issues small-issue industrial development Bonds on behalf of a local government entity.

“Market Study” means a comprehensive document prepared by a third party which contains information related to the Project’s market area.

“Metropolitan Statistical Area” means the geographic entity defined by the U.S. Office of Management and Budget (OMB).

“Mixed Income Project” means a Qualified Residential Rental Project that is a New Construction project and either (1) is not utilizing the Average Income test of Internal Revenue Code Section 42 (g)(1)(C) and has 50% or fewer of its total units designated as Restricted Rental Units, or (2) is part of the California Housing Finance Agency Mixed-Income Program. In a Competitive Application Process, a Mixed Income Project may only apply for an allocation of tax-exempt bonds if the ratio of tax-exempt bonds, not including recycled bonds, to aggregate depreciable basis plus land basis is less than or equal to the ratio of units that will be restricted pursuant to a CTCAC regulatory agreement.

“Mortgage Credit Certificate” means a mortgage credit certificate as defined by 26 U.S.C. section 25(c)(1).

“Mortgage Revenue Bond” means a bond defined by 26 U.S.C. section 143(a).



## California Debt Limit Allocation Committee Regulations

“Mortgage Revenue Bond Program” means a program defined by 26 U.S.C. section 143(a).

“Nationally Recognized Statistical Rating Organization” means credit rating agencies that satisfy the requirements of 15 U.S.C. section 78(c)(62).

“Open Application Process” means the procedure under which the Committee will evaluate an Application for an award of Allocation that is not competitive. The Committee will not review an incomplete Application except to determine whether the Application is incomplete and notify the Applicant of the deficiency.

“Performance Deposit Certification” means the form titled “Performance Deposit Certification Form for an Application for an Allocation of Qualified Private Activity Bonds” (revised 1-18-12), which is hereby incorporated by reference.

“Placement Agent or Underwriter Statement” means the statement provided by the firm contracted to market the Bonds proposed in the Application that includes a brief paragraph on the firm's history and principals, a summary of the firm's non-binding initial underwriting review, an overview of proposed issuance structure including anticipated debt service coverage ratio, and a statement certifying that the proposed transaction has been initially underwritten and meets the firm's standards for participation.

“Project” means the subject property for which an Application for Allocation has been submitted.

“Project Sponsor” means the entity, or CDLAC authorized affiliate thereof, using the proceeds of a Bond issue to complete the Project described in the Application.

“Project Wage” means the average hourly wage of the jobs created by a Project.

“Public Transit Corridor” means an existing or planned public mass transit guide way or bus way station, or multimodal transportation terminal serving public mass transit operations within one-third mile of the Project.

“Qualified Institutional Buyer (QIB)” means an entity defined by the United States Securities and Exchange Commission in Rule 144A under the Securities Act of 1933.

“Qualified Private Activity Bond” means a Bond that satisfies the requirements of 26 U.S.C. sections 141 et seq.

“Qualified Recovery Zone Bond Issuer” means eligible Issuers of Recovery Zone Bonds including states, political subdivisions as defined for purposes of U.S. Treasury Regulations, Section 103, and entities empowered to issue Bonds on behalf of any such entity under rules similar to those used to determine whether a Bond issued on behalf of a state or political subdivision constitutes an obligation of the state or political subdivision for purposes of U.S. Treasury Regulations, Section 103 and subchapter A, 1.103-1(b), or eligible Issuers in conduit financing issues as defined in U.S. Treasury Regulations, subchapter A, 1.150-1(b). An eligible Issuer may issue Recovery Zone Bonds based on a volume cap allocation received by the eligible Issuer itself or by a conduit borrower or other ultimate beneficiary of the issue of the Bonds.

“Qualified Residential Rental Project (QRRP)” means a qualified residential rental project as defined by 26 U.S.C. section 142(d)(1).

“Qualified Residential Rental Project Pool” means the reserve of the State Ceiling established by the Committee for Qualified Residential Rental Projects.

“Qualifying Bond Default” means a Bond Default in which the final disposition resulted in bondholders involuntarily not being paid in whole or in part.

“Recovery Zone” means an area designated by the local issuing entity defined pursuant to 26 U.S.C. section 1400U-1(b) as meeting one of the following criteria:



# California Debt Limit Allocation Committee Regulations

- Significant poverty, unemployment, rate of home foreclosures or general distress
- Economically distressed because of military base closure or realignment
- An area which has been designation as an empowerment zone or a renewal community

“Recovery Zone Bond (RZB)” means a Bond issued as a Recovery Zone Economic Development Bonds or a Recovery Zone Facility Bonds.

“Recovery Zone Economic Development Bonds (RZEDB)” means a type of Build America Bond issued before January 1, 2011 in which the Issuer shall receive a credit from the Treasury Department equal to 45% of the interest payment.

“Recovery Zone Economic Development Bond (RZEDB) Reallocation Pool” means the reserve of the amount Deemed Waived by the Committee for reallocation of Recovery Zone Economic Development Bonds.

“Recovery Zone Facility Bonds (RZFB)” means a category of Bonds created by the American Recovery and Reinvestment Act of 2009 (ARRA) that will be treated as Exempt Facility Bond Project as defined per 26 U.S.C. section 142.

“Recovery Zone Facility Bonds (RZFB) Reallocation Pool” means the reserve of the amount Deemed Waived by the Committee for reallocation of Recovery Zone Facility Bonds.

“Regulatory Period and/or Compliance Period” means for projects awarded allocation after December 31, 2016 a period of time enumerated in the CDLAC resolution whereby Annual Applicant Public Benefits and On-going Compliance Self Certification is required to be submitted. For QRRP projects the period of time will be consistent with Section 5192, for IDBs the longer of project completion or 2 years after the project completion if a job creation election is made, and for all other programs when the project is completed or allocation has been utilized.

“Related Party” means the more stringent of the constructive ownership provisions of 26 U.S.C. section 267 or the following:

- The brothers, sisters, spouse, ancestors, and direct descendants of a person;
- A person and corporation where that person owns more than 50% in value of the outstanding stock of that corporation;
- Two or more corporations, general partnership(s), limited partnership(s) or limited liability corporations connected through debt or equity ownership, in which stock is held by the same persons or entities for:
  - At least 50% of the total combined voting power of all classes that can vote, or;
  - At least 50% of the total value of shares of all classes of stock of each of the corporations, or;
  - At least 50% of the total value of shares of all classes of stock of at least one of the other corporations, excluding, in computing that voting power or value, stock owned directly by that other corporation.
- There exists concurrent ownership by a parent or related entity, regardless of the percentage of ownership, or a separate entity from which income is derived;
- There exists concurrent ownership by a parent or related entity, regardless of the percentage of ownership, or a separate entity where a sale-leaseback transaction provides the parent or related entity with income



## California Debt Limit Allocation Committee Regulations

from the property leased or that creates an undue influence on the separate entity as a result of the sale-leaseback transaction;

- There exists concurrent ownership by a parent or related entity, regardless of the percentage of ownership, of a separate entity where an interlocking directorate exists between the parent or related entity and the separate entity.
- A grantor and fiduciary of any trust;
- A fiduciary of one trust and a fiduciary of another trust, if the same person is a grantor of both trusts;
- A fiduciary of a trust and a beneficiary of that trust;
- A fiduciary of a trust and a corporation where more than 50% in value of the outstanding stock is owned by or for the trust or by or for a person who is a grantor of the trust;
- A person or organization and an organization that is tax-exempt under 26 U.S.C. section 501(c)(3) or (4) and that is affiliated with or controlled by that person or the person's family members, as provided in the first bullet of this section, or by that organization;
- A corporation and a partnership or joint venture if the same persons own more than:
  - 50% in value of the outstanding stock of the corporation; and
  - 50% of the capital interest, or the profits' interest, in the partnership or joint venture;
- One S corporation or limited liability corporation and another S corporation or limited liability corporation if the same persons own more than 50% in value of the outstanding stock of each corporation;
- An S corporation or limited liability corporation and a C corporation, if the same persons own more than 50% in value of the outstanding stock of each corporation;
- A partnership and a person or organization owning more than 50% of the capital interest, or the profits' interest, in that partnership; or
- Two partnerships where the same person or organization owns more than 50% of the capital interests or profits' interests.

“Report of Action Taken” means a report provided by and due to the Committee not more than fifteen (15) business days following the use of Allocation to issue Bonds or Mortgage Credit Certificates.

“Report of Action Taken for Bonds” means the specific Report of Action Taken due to the Committee following the use of Allocation for Qualified Private Activity Bonds (excluding RZBs) titled “Report of Action Taken Regarding the Issuance of Private Activity Bonds” ~~(revised 11-16-16), which is hereby incorporated by reference.~~

“Report of Action Taken for MCCs” means the specific Report of Action Taken due to the Committee following the use of Allocation to issue Mortgage Credit Certificates Bonds titled “Report of Action Taken Regarding Mortgage Credit Certificate Program” ~~(revised 1-11-11), which is hereby incorporated by reference.~~

“Report of Action Taken for MCCs (Carryforward)” means the specific Report of Action Taken due to the Committee following the use and/or Carryforward of Allocation to issue Mortgage Credit Certificates titled “Report of Action Taken Regarding a Carryforward Election and a Mortgage Credit Certificate Program” ~~(revised 11-11-11), which is hereby incorporated by reference.~~



## California Debt Limit Allocation Committee Regulations

“Report of Action Taken for RZBs” means the specific Report of Action Taken due to the Committee following the use of Allocation for RZBs titled “Report of Action Taken Regarding the Issuance of Recovery Zone Bonds.” ~~(revised 11-30-18), which is hereby incorporated by reference.~~

“Restricted Rental Units” means tenant occupied units within a Qualified Residential Rental Project that are restricted to households earning 60% or less of the applicable median family income pursuant to a Bond Regulatory Agreement.

“Rural Project” means a Qualified Residential Rental Project that is a New Construction Project located in a rural area as defined by Health and Safety Code section 50199.21 but shall not include a Mixed Income Project.

“Rural Project Pool” means a reserve within the Qualified Residential Rental Project Pool that may be established by the Committee.

“RZEDB Application” means the Application titled “Application for an Award of American Recovery and Reinvestment Act of 2009 Recovery Zone Economic Development Bonds.” ~~(revised 5-5-11), which is hereby incorporated by reference.~~

“RZFB Application” means the Application titled “Application for an Award of American Recovery and Reinvestment Act of 2009 Recovery Zone Facility Development Bonds.” ~~(revised 5-5-11), which is hereby incorporated by reference.~~

“Single Family Housing Program” means a program satisfying the requirements of 26 U.S.C. section 25 and 26 U.S.C. section 143.

“Single Family Housing Program Bonus Pool” means a reserve within the Single Family Housing Program Pool that may be established by the Committee.

“Single Family Housing Program Pool” means the reserve of the State Ceiling established by the Committee for Single Family Housing Programs.

“Single Family Housing State Issuer” means any state agency that issues Mortgage Revenue Bonds or Mortgage Credit Certificates for Single Family Housing Programs.

“Small-Issue Industrial Development Bond Project” means a Project that meets the requirements for a qualified small-issue Bond as described under 26 U.S.C. section 144.

“Small-Issue Industrial Development Bond Project Pool” means the reservation of the State Ceiling reserved for Small-Issue Industrial Development Bond Projects.

“Sophisticated Investor (SI)”, see Accredited Investor definition.

“Standard Permanent Bonds” means Bonds issued for the purposes of providing permanent Project financing which (i) meet CDLAC’s Debt Service Coverage Ratio requirement in Section 5193 or (ii) are not Cash Flow Permanent Bonds.

“State Ceiling” means the amount of Qualified Private Activity Bonds that can be issued in California for each calendar year specified by 26 U.S.C. section 146(d), and the amount reserved to California pursuant to sections 1112 and 1401 of the American Recovery and Reinvestment Act of 2009 as established by and announced by the Committee in accordance with article 2 of this chapter.

“State Ceiling Pools” means the individual pools created by the Committee and as defined in this chapter.

“Student Loan Program” means a program that meets the requirements for a qualified student loan Bond under 26 U.S.C. section 144(b).



# California Debt Limit Allocation Committee Regulations

“Student Loan Program Pool” means the reserve of the State Ceiling established by the Committee for Student Loan Programs.

“Supplemental Allocation Pool” means the reserve of the State Ceiling established by the Committee for supplemental allocation on Qualified Residential Rental Projects.

“Taxable Debt” means conventional financing from a major financial institution or taxable Bonds issued by a municipality including but not limited to Build America Bonds or Recovery Zone Bonds.

“TEFRA Resolution (Tax Equity and Fiscal Responsibility Act of 1982)” means an approval by the applicable elected representative of the governmental unit having jurisdiction over the proposed Project, as required by 26 U.S.C. section 147(f), that is documented and includes a certification executed by the applicable elected representative or their designee.

“Travelling Investor Representation Letter” means the certification from initial investor(s) of a Bond offering that they have no present intention of reoffering the Bonds in a subsequent public offering, but may be allow to subsequently transfer the Bonds in a limited offering to another permitted transferee provided the transferee agrees to the same representations.

“U.S. Treasury Designated Recovery Zone Bond Allocation” means Allocation received directly from the federal government pursuant to the American Recovery and Reinvestment Act of 2009.

“Undesignated Reserve Pool” (Pool) means a reserve of the State Ceiling established by the Committee for which there is no demand at the time the Pool is established.

“Verification of Zoning and Local Approvals” means the document by which the appropriate local government planning official having jurisdiction over the Qualified Residential Rental Project certifies at least the following: the Project’s name, address, parcel number, housing type, the Project’s compliance with all applicable local land use and zoning ordinances, a description of the Project’s current zoning, maximum per unit density allowed for the Project’s site, and whether the Project has obtained all local and state land use related approvals.

“Veterans Home Loan Program” means a single family housing program administered by the California Department of Veterans Affairs, satisfying the requirements of 26 U.S.C. section 143, and that is restricted to California veterans of military service.

“Welfare-to-Work Plan” means a plan as described by sections 10531, et seq. of the California Welfare and Institutions Code.

“WELL” means a Building Standard, which is a performance-based system for measuring, certifying and monitoring features of the built environment that impacts human health and wellbeing through air, water, nourishment, light, fitness, comfort and mind. WELL is managed and administered by the International WELL Building Institute.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## Article 2. State Ceiling and Application Process

### § 5010. Determination of State Ceiling, Competitiveness, and Minimum Points.

(a) As soon as practicable after the beginning of each calendar year, and before any Applications are considered, the Committee shall determine and announce the State Ceiling and the portion of the State Ceiling that will be available for each of the State Ceiling Pools as set forth in article 3 of this chapter.



# California Debt Limit Allocation Committee Regulations

(b) Pursuant to subdivision (a) of this section, the Committee shall determine and announce the establishment of either an Open Application Process or a Competitive Application Process, or both, for each State Ceiling Pool. The Committee shall determine which process is best for each program pool based on factors including, but not limited to, the amount of the State Ceiling available to the pool and the history of Applications for allocations from each pool.

(c) Pursuant to subdivision (a) and (b) of this section, the Committee shall establish a minimum point threshold for the New Construction, Rural, Preservation, Other Rehabilitation and BIPOC Pools as determined in section 5020.

NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84, Government Code.

## Article 3. State Ceiling Pools

### § 5020. Determination of State Ceiling Pools.

As soon as practicable after the beginning of each calendar year, and before any Applications are considered, the Committee shall:

(a) Determine and announce what amount, expressed both as a percentage and as a dollar amount of the State Ceiling, shall be available for Allocation during the year and in each Allocation Round to Qualified Residential Rental Projects from the Qualified Residential Rental Project Pool.

(1) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a New Construction Pool to be available for allocation to New Construction Projects that are not Rural Projects, and determine what amount, if any, shall be available in each Allocation Round.

~~(1)~~(A) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Homeless ~~Set-Aside~~ Set Aside to be available for allocation to New Construction Projects in which at least 25% of the tax credit units are designated for homeless households as defined in Section 10315(b)(1)-(4) of the CTCAC regulations at affordable rents consistent with Section 10325(g)(3) of the CTCAC regulations, and determine what amount, if any, shall be available in each Allocation Round.

(B) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in an Extremely Low/Very Low Income Set Aside to be available for allocation to New Construction Projects that have ~~for Allocation Rounds in 2021~~, an average AMI of 50% or below ~~or and~~ have received either of the following, and determine what amount, if any, shall be available in each Allocation Round:

(i) an award of funding from the Department of Housing and Community Development (HCD). For purposes of this Set Aside, an award of funding from HCD shall include awards made directly by the department pursuant to the Multifamily Housing Program, the Affordable Housing and Sustainable Communities Program, the Transit Oriented Development Program, the Joe Serna Jr. Farmworker Housing Grant Program, the No Place Like Home Program, Housing for a Healthy California and the Veterans Housing and Homelessness Prevention Program. The income restrictions shall be at least as restrictive



## California Debt Limit Allocation Committee Regulations

as those for which the applicant received an award from HCD. Awards made directly by the department do not include Alternative County Process awards.

(ii) an award of public funds, as defined in Section 10325(c)(9)(A)(i) of the CTCAC regulations, equivalent to 15% or more of the Project's total development cost, provided that the project meets the following criteria, as applicable:

(aa) If the project receives points as a Large Family project pursuant to Section 5230(g) and is located in a High Segregation and Poverty Area as specified on CTCAC/HCD Opportunity Area Map, the project shall have income restrictions with a range of at least 30% AMI between the highest and lowest 10% of income-restricted units ~~that meet the requirements of Section 5230(j)(1)(C).~~

(bb) If the project receives points as a Large Family project pursuant to Section 5230(g) and is located in a High or Highest Resource Area as specified on CTCAC/HCD Opportunity Area Map, the project shall have income restrictions that meet the requirements of Section 5230(j)(1)(A).

(cc) If the project does not receive points as a Large Family project pursuant to Section 5230(g) or is located in a Moderate, or Low Resource Area as specified on CTCAC/HCD Opportunity Area Map, the project receives maximum points for exceeding minimum income restrictions pursuant to Section 5230(d).

(C) Subsequent to the determination made pursuant to paragraph (1) of this subdivision, determine and announce whether a portion of the New Construction Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Mixed Income ~~Set-Aside~~Set Aside to be available for allocation to New Construction Projects that are Mixed Income Projects, and determine what amount, if any, shall be available in each Allocation Round.

(2) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage (not to exceed ten percent (10%)) of the Qualified Residential Rental Project Pool shall be reserved in a Rural Project Pool to be available for allocation to Rural Projects and determine what amount, if any, shall be available in each Allocation Round.

(3) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Preservation Pool to be available for allocation to Preservation Projects and determine what amount, if any, shall be available in each Allocation Round.

(4) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in an Other Rehabilitation Pool to be available for allocation to Other Rehabilitation Projects and determine what amount, if any, shall be available in each Allocation Round.

(5) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a BIPOC Pool to be available for allocation to BIPOC Projects and determine what amount, if any, shall be available in each Allocation Round.





# California Debt Limit Allocation Committee Regulations

(6) Subsequent to the determination made pursuant to subdivision (a) of this section, determine and announce whether a portion of the Qualified Residential Rental Project Pool, expressed as a dollar amount and as a percentage of the Qualified Residential Rental Project Pool shall be reserved in a Supplemental Allocation Pool to be available for allocation to Supplemental Allocation requests and determine what amount, if any, shall be available that year.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82 and 8869.84, Government Code.*

## § 5021. Rescheduling of Calendar.

Notwithstanding any other provision of this article, the Committee may, at any time, alter the competitiveness of Allocation Rounds, the number of Allocation Rounds, the portion of the State Ceiling that will be available to each type of State Ceiling Pool, or any Program within a Pool in each of the Allocation Rounds, the schedule of the Allocation Rounds and the deadlines for Applicants to submit Applications for consideration based on its finding, at a noticed meeting, that the changes are in the public interest and reasonably necessary to further the purposes for which the Committee was created.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84, Government Code.*

## § 5022. Geographic Apportionments.

For the purpose of allocating bonds available under the QRRP New Construction Pool, annual apportionments of bonds shall be made in approximately the amounts shown below:

<b>Geographic Region</b>	<b>Apportionment</b>
Coastal Region (Monterey, Napa, Orange, San Benito, San Diego, San Luis Obispo, Santa Barbara, Sonoma, and Ventura Counties)	21%
City of Los Angeles	17%
Balance of Los Angeles County	16%
Bay Area Region (Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties)	21%
Inland Region (Fresno, Imperial, Kern, Kings, Madera, Merced, Riverside, San Bernardino, Stanislaus, and Tulare Counties)	16%
Northern Region (Butte, El Dorado, Placer, Sacramento, San Joaquin, Shasta, Solano, Sutter, Yuba, and Yolo Counties)	9%

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 4. Application Schedule and Procedures

### § 5030. Announcement of Application Deadlines.

Pursuant to article 2 of this chapter, the Committee shall as soon as practical, after the start of the calendar year, give notice of the dates and deadlines to submit Applications for each Allocation Round and whether the Applications will be evaluated pursuant to an Open Application Process or a Competitive Application Process.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84, Government Code.*

### § 5031. Eligible Applicants.

(a) The following types of entities may file an Application: Any state or local governmental agency, joint powers authority (JPA) applying for bond allocation for a Project that will be located entirely within the geographical boundaries of one or more of the JPA members (except for a Project described in Government Code section 6586.5(c)), special district, nonprofit public benefit corporation that issues only student loan Bonds, or any other public agency that is empowered to issue debt. The Issuer of the Qualified Private Activity Bonds or Mortgage Credit Certificates must be the Applicant.

(b) Where the Applicant is administering a Single-Family Housing Program on behalf of one or more jurisdictions, the Applicant must submit the Application to the Committee. The Applicant must also obtain, and provide to the Committee with its Application, a publicly adopted resolution or cooperative agreement from each jurisdiction participating in the Applicant's program that explicitly grant authority to the Applicant to conduct the program in the participant's jurisdiction.

(c) To be eligible to receive CDLAC allocation, all Applicants must submit written Bond Issuance and Post Issuance Compliance Policies for each State Ceiling Pool they request. For QRRP Applicants, these policies must be reviewed by counsel having expertise with the federal and state laws pertaining to the issuance or conversion and post-closing compliance of private activity conduit bonds for consistency with applicable federal and state laws. Such review will be documented via a letter from the respective counsel indicating the review has occurred. Additionally, for all Applicants, the policies must be accompanied by a resolution signed by the appropriate governing body formally adopting the policies. If the governing body has delegated approval authority on such matters to the organization's Executive Director, Housing Director or Finance Director, approval by the delegated individuals will suffice. To the extent contractors will be providing services on behalf of an Applicant, the policies should clarify the relationship between the contractor and the Applicant and what, if any, rights the contractor has to income and obligations generated from the issuance activity. CDLAC will review these policies to ensure the legal review has occurred, appropriate approval documentation is in place and for consistency with the CDLAC regulations. CDLAC will document their formal approval. This requirement will apply immediately to all Applicants who have not received allocation from CDLAC since January of 2013 and for new Applicants. Applicants having received an allocation of bonds from CDLAC after January 2013 will have until December 31st of 2017 to complete and submit policies to CDLAC. If an Applicant has not utilized CDLAC's programs but has a 2017 project pending, a one year waiver to this regulation may be requested. To fulfill this requirement, approval of the policies must be documented in a resolution dated no earlier than 2006. All policies must be reviewed and re-approved at least every 10 years thereafter.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(f), 8869.84(g), 8869.85(a), 8869.85(b), 8869.88 and 8869.89, Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5032. Applicant Responsibilities.

(a) Applications for an Allocation of the State Ceiling shall include the information prescribed by the Committee specific to the State Ceiling Pool or program to which the Application is addressed. All questions set forth in the applicable Application must be answered completely and accurately. Each Application must be accompanied by the required documentation prescribed therein.

(b) Every Applicant shall certify to the Committee that it is in compliance with all applicable statutes, laws, rules, and regulations necessary for the transaction of its business.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a), 8869.85(b) and 8869.87, Government Code.*

## § 5033. Minimum Application Requirements.

(a) Applications for an Allocation of the State Ceiling may be submitted to the Committee at its offices in Sacramento, California. An Applicant must submit all required information appropriate to the type of Bond for which the Applicant requests an Allocation. The Applicant shall submit a complete Application and supplemental material for each project or program for which the Applicant is requesting an Allocation. Only complete Applications bearing the original signatures of an officer of the Applicant or designee and the Project Sponsor, if applicable, will be accepted.

(b) Unless specifically exempted, the following items must accompany all Applications:

(1) Performance Deposit Certification and evidence of the performance deposit as provided in section 5050(a), except that for Qualified Residential Rental Projects, an Applicant shall provide the certification and evidence within 20 calendar days following an award of an Allocation.

(2) A non-refundable first installment of the filing fee of \$1,200 made payable to the California Debt Limit Allocation Committee as provided in section 5054(a).

(3) Proof of the bond sale structure requirements pursuant to article 6 of this chapter, if applicable, (for all Applications other than Applications relating to a Mortgage Credit Certificate Program pursuant to chapter 3.

(4) An inducement or reimbursement resolution adopted by the governing body of the Applicant approving the project or program to be Bond financed and authorizing a senior officer, or in the case of a Student Loan Program, an officer of the sponsor of the Student Loan Program, to file the Application with the Committee, pay any fees required by the Committee, and certify the posting of the required performance deposit, unless excepted herein.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e), 8869.85(a), 8869.85(b) and 8869.90, Government Code.*

## § 5034. Ranking.

Applications submitted under a Competitive Application Process will be ranked according to the number of points awarded by the Committee pursuant to the evaluation criteria specific to the State Ceiling Pool or program to which the Application is addressed.



# California Debt Limit Allocation Committee Regulations

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(d) and 8869.84(e), Government Code.*

## § 5035. Preliminary Recommendations.

(a) At least twenty-five (25) calendar days prior to any meeting at which the Committee ~~will~~ is to award Allocations, the Executive Director shall publish a preliminary list of Applicants for which the Executive Director expects to recommend an Allocation (and the amount of those Allocations). During competitive rounds, the following procedures shall be followed for the Qualified Residential Rental Program:

(1) Within ten (10) calendar days after the application due date, a list of applicants, project names, project locations, selected pools and ~~set-aside~~set asides, geographic regions, and requested Allocations and all reported self-scoring totals and ~~tie-breaker~~tiebreaker scores shall be published on the Committee's website as provided in section 5140.

(2) Projects will be evaluated and ranked based on information submitted in the application.—Only applications that are substantially complete and self-score high enough to receive an Allocation shall be reviewed. Prior to publishing the preliminary recommendation list on the Committee's website, Applicants and developers/sponsors shall be notified of their preliminary score and the reasons for any modifications from the Applicant's Self-Scoring Worksheet. That notice, or a subsequent notice, may also contain completeness and/or feasibility defects determined during the application evaluation. Notices shall only be sent for projects that self-score high enough to receive an Allocation. Applicants shall have five (5) calendar days to appeal such notice. Appeals shall be addressed to the Executive Director in writing. The Executive Director shall have ten (10) calendar days to issue a final determination. If an Applicant is unsatisfied with the final determination, the Applicant may appeal to the Committee.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5036. Appeals to Preliminary Recommendations.

Any Applicant who wishes to appeal the published preliminary recommendation or ranking as prescribed in section 5035 may file an appeal within five (5) business days of the date on which the preliminary list is posted. The appeal shall set forth in reasonable detail the factual basis for the appeal. New or additional information beyond that provided in the original Application shall not be provided or considered in connection with the appeal. All appeals shall be made in writing and delivered to the Executive Director. The Executive Director shall present the appeal to the Committee at the meeting for which Allocations are awarded, prior to the Allocation approval process. An Applicant may only appeal the recommendation or ranking of its own Application(s).

*Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5037. Final Recommendations.

(a) At least ten (10) calendar days before the Committee meeting for which Allocations will be awarded, the final list of Applicants for which Allocations will be recommended (and the amounts of those Allocations) will be posted. During competitive rounds, the list will be in ranked order. This list will reflect changes, if any, in ranking resulting



# California Debt Limit Allocation Committee Regulations

from the appeals as provided in section 5035. The list shall be posted on the Committee's website as provided in section 5140.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5038. Appeals to Final Recommendations.

Any Applicant who timely appealed the preliminary determination and is dissatisfied with the final recommendation in connection with the Application or received no preliminary recommendation, may present its case to the Committee at the Allocation meeting at which the Application is considered, provided that the Applicant gives notice, in writing, of its intention to do so at least five (5) business days prior to the Allocation meeting. An Applicant's written notification must be delivered to the Committee, no later than 5:00 p.m. (Pacific Time) on the last day specified for providing notice.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5039. Publishing of Agenda.

At least ten (10) calendar days before all Committee meetings, the Executive Director shall post an agenda of all items to be heard by the Committee, on the Committee's website provided in section 5140.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## Article 5. Performance Deposits and Fees

### § 5050. Performance Deposit Requirements.

(a) Applications for Qualified Private Activity Bonds shall include evidence of a performance deposit equal to one-half of one percent (.5%) of the Allocation requested, not to exceed \$100,000 made payable to the Applicant, except that for Qualified Residential Rental Projects, an Applicant shall provide the evidence of a performance deposit within 20 calendar days following an award of an Allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*

### § 5051. Release of Performance Deposit.

(a) The written authorization releasing a performance deposit or refund of deposits paid to the Committee will occur upon the Committee's receipt of a properly completed Report of Action Taken that is appropriate to the transaction type as required in section 5142, all filing fees as required in section 5054, and a digital copy of the conformed, recorded Bond Regulatory Agreement. The Committee Resolution shall provide the timeframe for using the Allocation and filing the required Report of Action Taken.

(b) In the case of a Qualified Residential Rental Project that also requests an allocation of state credit reserved for tax-exempt projects from the California Tax Credit Allocation Committee (CTCAC), the full release or refund of a



## California Debt Limit Allocation Committee Regulations

performance deposit will be authorized if the Project Sponsor is able to demonstrate that the failure to use Allocation is solely due to the failure to receive an allocation of state tax credit.

(c) In the case of Mortgage Credit Certificates, the full release or refund of a deposit will not be authorized unless the Allocation has been converted to Mortgage Credit Certificate authority by the date specified in the Committee Resolution.

(d) Nothing in this section shall be construed to address the forfeiture of deposit relative to utilization of carryforward Allocations pursuant to section 5132.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.90, Government Code.*

### § 5052. Forfeiture of Performance Deposit.

(a) For Projects receiving an allocation award on or after March 16, 2016, an extension of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132 will result in forfeiture of the Project's performance deposit to the extent that the performance deposit has not previously been forfeited.

(b) If less than 80% of the Allocation is used to issue Bonds, a pro-rata portion of the deposit will be forfeited equal to the same percentage ratio as the amount of unused Allocation bears to the amount of awarded Allocation. If at least one (1) Mortgage Credit Certificate is not issued prior to the applicable expiration date, the entire performance deposit will be forfeited. If 80% or more of the Allocation is used to issue bonds prior to the expiration date, or at least one (1) Mortgage Credit Certificate is issued prior to the applicable expiration date, a full refund of the performance deposit will be authorized.

(c) Applicants bear the risk of forfeiting all or part of their performance deposit if the Allocation is not used in accordance with the conditions and/or timeframes set forth in the Committee Resolution.

(d) The Applicant shall remit all forfeited performance deposits to the Committee within thirty (30) days of receipt of an invoice issued by the Committee.

(e) An Applicant may request waiver of a performance deposit forfeiture by submitting a written request to the Executive Director within 30 days of the date of the Committee's Forfeiture Fee Invoice. The Committee shall grant a forfeiture extension upon a showing that the request aligns with an extended allocation and waiver upon showing the circumstances prompting the forfeiture were unforeseen and entirely beyond the control of the Project's sponsor and development team. The granting of a waiver pursuant to this subsection will not preclude performance deposit forfeiture for subsequent extensions of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.86(c)(3), Government Code.*

### § 5053. Withdrawn or Denied Applications.

For Applicants that post the performance deposit prior to award of an Allocation, if the Applicant withdraws an Application prior to consideration by the Committee or if a Project fails to receive an award of Allocation, the performance deposit shall be automatically refunded or released and no written authorization from the Committee shall be necessary. Applicants that receive an Allocation may also return the Allocation to the Committee within twenty (20) days of the award date without threat of negative points.



# California Debt Limit Allocation Committee Regulations

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*

## § 5054. Filing Fees.

Each Applicant shall submit a filing fee in an amount equal to the product of the amount of Allocation actually used to issue Bonds, or Mortgage Credit Certificates multiplied by .00035. The payment of the fee shall be in two installments as follows:

(a) Initial filing fee in the amount of \$1,200 shall accompany the filing of an Application to cover the Committee's costs associated with reviewing Applications. This portion of the filing fee shall not be refundable under any circumstances but shall be credited against the total filing fee.

(b) Initial filing fee for supplemental awards in the amount of \$600 shall accompany the filing of an Application to cover the Committee's reasonable costs associated with reviewing Applications. This portion of the filing fee shall not be refundable under any circumstances but shall be credited against the total filing fee.

(c) Initial filing fee for Difficult Development Area/Qualified Census Tract (DDA/QCT) designation retention in the amount of \$1,200 shall accompany the filing of an Application to cover the Committee's reasonable costs associated with reviewing Applications. This portion of the filing fee shall not be refundable under any circumstances and is separate from the initial filing fee required when requesting an allocation.

(d) Second installment of Filing Fee. The second installment of the filing fee shall be due within thirty (30) days after Bond issuance or issuance of the first Mortgage Credit Certificate. The Committee shall issue an invoice in conjunction with the Committee Resolution transferring the Allocation to the Applicant. The amount of the second installment of the filing fee is the product of the amount of Allocation used to issue Bonds or convert to Bond to Mortgage Credit Certificate authority multiplied by .00035, less the fee paid pursuant to subdivision (a) of this section.

(e) If the second filing fee is not received within thirty (30) days, the Committee shall instruct the Applicant to remit the amount due from the performance deposit maintained by the Applicant specifically for the Project or program that was awarded Allocation pursuant to section 5050.

(f) Applications for Allocation for Exempt Facility Projects shall not be charged supplemental filing fees when applicants seek to move the hearing date for allocation later in the calendar year, as long as there are not material changes in the project or financing structure of the application.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.90, Government Code.*

## § 5055. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5056. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.90, Government Code.*

## Article 6. Bond Sale Structure Requirements

### § 5060. Minimum Requirements.

(a) Applicants, other than Applicants for a Mortgage Credit Certificate Program, shall provide evidence of a plan to privately place or publicly sell the proposed Bonds with or without Credit Enhancement for an amount no less than the amount requested in the Application. All relevant bond documents for Qualified Residential Rental Projects must permit principal payments or prepayments on the underlying loan(s) as transferred proceeds in a bond preservation and recycling program as permitted by 26 U.S.C. Section 146(i)(6) and shall require no less than thirty (30) days' notice to CDLAC and to the applicant prior to the redemption of bonds at the conversion to permanent financing. Bond sale structures that include a credit rating shall be subject to the following:

(1) Governmental Bond issued with full recourse to, or guaranteed by a general obligation of a governmental entity with taxing authority or Qualified Private Activity Bonds with recourse to the corporate parent entity of the Project Sponsor via a corporate guarantee must have an investment grade credit rating for the Project or the source of the aforementioned guarantee for the Project.

(2) Qualified Private Activity Bonds without a governmental or corporate guarantee shall provide a credit rating specifically for the transaction.

(3) Governmental Bond issues with limited recourse (i.e. lease revenue Bonds, project-specific recourse, or certificates of participation) may provide either a credit rating specifically for the transaction or provide evidence of a current credit rating for an existing outstanding Bond with the same source of debt repayment.

(4) All Bond ratings shall include evidence that the credit rating has been provided within the last six (6) months, or that the current credit rating for outstanding Bond(s) has been substantiated via the most recent updated surveillance review completed by a rating agency within the last thirty six (36) months.

(b) Applicants requesting an award of Allocation for pollution control projects administered by the California Pollution Control Financing Authority (CPCFA) should refer to CPCFA regulations for additional requirements.

(c) Notwithstanding the requirements set forth in article 6 of this chapter, the Committee may apply more stringent requirements and thresholds for a given Project based upon factors such as, but not limited to the size of the Bond issue and/or the specific ratings of the Applicant and/or Project Sponsor.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5061. Credit Enhanced Sales.

(a) Applications for Bonds to be issued and sold through a public sale with Credit Enhancement will be deemed to have provided satisfactory evidence of a Bond sale plan required in section 5060 if documentation from the Credit Enhancer includes the following:





## California Debt Limit Allocation Committee Regulations

- (1) Project Sponsor (borrower).
- (2) Project name and location.
- (3) Amount of the Credit Enhancement.
- (4) Salient terms and conditions of the agreement, including but not limited to the fee structure, term, rate, security, collateral, guarantee, and recourse of the commitment.
- (5) Evidence that the Credit Enhancer is committed to move forward with the transaction if the terms and conditions in the commitment letter are met.
- (6) Acceptance of the terms and conditions of the Credit Enhancement by the Credit Enhancer and Project Sponsor evidenced by signatures from both parties.
- (7) If Fannie Mae, (a private, shareholder-owned company with a charter from Congress requiring the company to support the housing finance system) or any additional or successor entity possessing a similar Congressional charter is providing the Credit Enhancement, the commitment issued by a qualified lender under the Delegated Underwriting and Servicing (DUS) program of Fannie Mae will constitute acceptable proof of Credit Enhancement.

(b) If the Bonds are to be variable rate Bonds, the short term rating shall be no less than "A1" by Standard & Poor's, "VMIG1" by Moody's, or "F-1" by Fitch IBCA, Inc. or the equivalent.

(c) If the Bonds are to be fixed rate Bonds, the Bond rating shall be no less than an "A" category or the equivalent as rated by a Nationally Recognized Statistical Rating Organization. If the Bond rating is below an "A" category or the equivalent, the Application will be evaluated pursuant to section 5065.

(d) If any State Agency is providing the Credit Enhancement, evidence of its investment grade rating shall be provided with the Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5062. Private Placement Sales.

(a) Subject to subsection (b) below, applications for Bonds to be issued and sold through a private placement will be deemed to have provided satisfactory evidence of a Bond sale plan required in section 5060 if documentation from the Bond purchaser(s) includes the following:

- (1) Project Sponsor (borrower).
- (2) Project name and location.
- (3) Bond purchase amount.
- (4) Salient terms and conditions, including but not limited to the fee structure, term, rate, security, collateral, guarantee, expiration date of the commitment, and recourse of the commitment including the interest rate of the agreement.
- (5) Evidence that the lender is committed to move forward with the transaction if the terms and conditions in the commitment letter are met.



# California Debt Limit Allocation Committee Regulations

(6) The commitment is fully executed by the bond purchaser and project sponsor.

(b) For applications submitted after December 31, 2016 Cash Flow Permanent Bonds to be issued and sold through a private placement including, without limitation, bonds purchased by a property seller in consideration of the provisions of a purchase and sale agreement, will be deemed to have provided satisfactory evidence if the provisions of 5062 (a) have been satisfied and, additionally, if at the time of bond issuance the bond purchaser elects to:

(1) submit a Traveling Investment Representation Letter from a Qualified Institutional Buyer or Sophisticated Investor due three (3) days prior to Bond issuance; or

(2) ensure a minimum Bond denomination of \$100,000.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5063. Unenhanced Bond Sales with an A Category or Higher Rating Including Sales Where Cash is the Collateral.

(a) Applications for Bonds to be issued with an unenhanced credit rating equivalent to an “A” category or higher as rated by a Nationally Recognized Statistical Rating Organization will be deemed to have satisfied the minimum Bond sale requirements required in section 5060 if the following is provided:

(1) Placement Agent Statement.

(2) Certifications of no current Bond Defaults by the Issuer, guarantor (if any) and the Project Sponsor (if any).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5064. Unenhanced Bond Sales with a BBB Category Credit Rating.

(a) Applications for Bonds to be issued with an unenhanced credit rating in the “BBB” category or equivalent as rated by a Nationally Recognized Statistical Rating Organization will be deemed to have satisfied the minimum Bond sale requirements required in section 5060 if the following is provided:

(1) Placement Agent Statement.

(2) Certifications of no current Bond Defaults by the Issuer, guarantor (if any) and the Project Sponsor (if any).

(3) Brief summary of the marketing plan.

(b) In addition to the requirements of subdivision (a) of this section, awards of Allocation will be subject to the following conditions:

(1) Governmental Bond issues with full recourse to, or guaranteed by a general obligation of a governmental entity with taxing authority will be subject to minimum denominations of \$5,000.



## California Debt Limit Allocation Committee Regulations

(2) Governmental Bond issues with limited recourse and all Qualified Private Activity Bonds will be required to have either of the following:

(A) The submission of an Investment Representation Letter from a Qualified Institutional Buyer or Sophisticated Investor due at Bond issuance; or

(B) Minimum Bond denominations of \$100,000.

(C) Applicants will state in both the Application and the marketing plan whether they favor a CDLAC award with an Investment Representation Letter requirement or with the minimum denomination requirement. The marketing plan's stated issuance structure and offering summary must reflect the Applicant's preference.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5065. Unenhanced Sales with Unrated or Non-Investment Grade Credit Rating.

(a) Applications for Bonds to be issued with unrated or unenhanced non-investment grade credit ratings will be permitted only for limited recourse Government Bond issues and Qualified Private Activity Bonds and will be deemed to have satisfied the minimum Bond sale requirements required in section 5060 if the following is provided:

(1) Placement Agent Statement.

(2) Certifications of no current Bond Defaults by the Issuer, guarantor (if any) and the Project Sponsor (if any).

(3) Complete marketing plan.

(b) In addition to the requirements of subdivision (a) of this section, awards of Allocation will be subject to the following conditions:

(1) The submission of a Traveling Investment Representation Letter due three (3) business days before issuance; or

(2) Minimum Bond denominations as follows:

(A) \$100,000 for Bond issues equal to or less than \$100,000,000; or

(B) \$250,000 for Bond issues over \$100,000,000.

(3) Applicants will state in both the Application and marketing plan whether they favor a CDLAC award with a Traveling Investment Representation Letter requirement or with the minimum denomination requirement. The marketing plan's stated issuance structure and offering summary must reflect the Applicant's preference.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5066. Qualifying Bond Defaults.

(a) Bond Applications on behalf of a Project Sponsor with a Qualifying Bond Default or bankruptcy in the last three (3) years, and/or from a Bond Issuer with three (3) or more Qualifying Bond Defaults in the last five (5) years shall be restricted to private placement sales accompanied with an Investment Representation Letter or public sales with a minimum A category credit grade. Governmental Bond Applications on behalf of a governmental guarantor with a Qualifying Bond Default or bankruptcy within the last three (3) years shall be restricted to private placements with Qualified Institutional Buyers or to public sales rated A or higher.

(b) Bond Issuers and Project Sponsors who are subject to these restrictions may submit an appeal for a waiver of this requirement which shall be considered by the Committee. For Issuers, appeals which involve the following circumstances may be considered by the Executive Director:

(1) At least two (2) out of the three (3) Qualifying Bond Defaults referenced involve the same Project Sponsor; or

(2) At least two (2) out of the three (3) Qualifying Bond Defaults referenced involve transactions whose bond issuance occurred more than ten (10) years prior to the default recordation date.

(c) All appeals shall be made in writing, included with the Application and must set forth in reasonable detail the factual basis for the appeal.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 7. Committee Resolution; Use of State Ceiling Allocations

### § 5080. Granting of Allocation.

The granting of an Allocation by the Committee shall be memorialized in a written resolution adopted by the Committee. The Committee Resolution shall specify but not be limited to the following: the Applicant, the amount of the Allocation, the project or program name for which the Allocation has been provided, the Project Sponsor using the Bond proceeds where applicable, the location of the project or program, the expiration of date of the Allocation, and any additional conditions or restrictions imposed on the Allocation by the Committee.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### § 5081. Changes in Use of Allocation.

Use of an Allocation shall be limited by the provisions of the Committee Resolution. Any changes to the specifications contained in the Committee Resolution prior to the issuance of Bonds, including, but not limited to, changes to the Bond sale structure, the provider of any Credit Enhancement, the direct purchaser of the Bonds if a private placement of Bonds is indicated, the entity selling Bonds, or the identity of the Applicant, must be approved by the Committee prior to the Bond issuance. The Committee may delegate the authority to approve these changes to the Committee Chair or to the Executive Director. The Executive Director may administratively approve routine and non-substantive changes that do not require additional Allocation.



# California Debt Limit Allocation Committee Regulations

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5082. Certification of Bond Issuance.

Following the Committee's receipt of a Report of Action Taken as provided in section 5142, the State Treasurer or his or her designee shall provide the Applicant with a letter certifying that the Bond issue meets the requirements of 26 U.S.C. section 146. For Mortgage Credit Certificate Applicants, this certification letter shall be provided the time that the Committee Resolution is transmitted.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.83(b), 8869.84(c), 8869.86(c) and 8869.93 Government Code.*

## Article 8. Expiration of Allocations

### § 5100. Program Expiration Dates.

(a) The expiration date of the Allocation shall be specified in the Committee Resolution and shall start from the date on which the Committee awards the Allocation.

(b) Notwithstanding extensions as provided in sections 5101 ~~or 5103~~; the limitations prescribed by section 5104; or Allocations awarded on a carry-forward basis as provided in section 5131; the expiration dates for issuing Bonds or converting Bonds to Mortgage Credit Certificate authority shall be:

(1) One-Hundred Eighty (180) days for the issuance of Beginning Farmer Bonds, Mortgage Revenue Bonds, Small-Issue Industrial Development Bonds, Exempt Facility Bonds, and the conversion of Bonds to Mortgage Credit Certificate authority.

(2) One-hundred twenty (120) days for the issuance of Student Loan Bonds and for the issuance of at least one (1) Mortgage Credit Certificate.

(3) For Qualified Residential Rental Project Bonds, the following expiration dates shall be assigned by the Executive Director within five (5) business days following each Allocation Round:

(i) Projects receiving an allocation shall be assigned an expiration date of one-hundred eighty (180) days, ~~or one-hundred ninety-four~~ two-hundred one (201) days, or two-hundred twenty-two (222) days. If the Committee allocates more than 50% of the year's QRRP Allocation in any one round, there shall be a third expiration date of two-hundred eight (208) days, and the Executive Director shall assign approximately one-third of the projects in that round to each expiration date whenever possible. In the case of hybrid projects, the expiration date shall be the later of the deadline assigned by CDLAC or CTCAC.

(ii) A project's applicant may request an expiration date of less than one-hundred eighty (180) days by submitting a written request to the Executive Director. The request shall be submitted no later than the final posting date for the round in which the project is seeking an allocation.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.89, Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5101. Extensions to Expiration Dates.

~~For Allocations awarded during an Open Application Process, T~~the Executive Director may grant an extensions of up to ninety (90) days for all allocations. Any additional extensions must be granted by the Committee. Extension requests must demonstrate that the circumstances were entirely outside the control of the owner.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.89, Government Code.*

## § 5102. Recovery Zone Bond Extensions. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*

## § 5103. Five Day Hardship Extensions. [Repealed]

~~The Committee may grant an extension to the expiration dates provided in sections 5100 and 5101 up to five (5) additional business days for extreme hardship cases. The Committee may delegate this authority to the Executive Director.~~

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.89, Government Code.*

## § 5104. Year-End Allocations.

Unless the Committee authorizes the carry-forward of an Allocation pursuant to article 10 of this chapter, the expiration date of all Allocations shall be no later than December 31 of the same calendar year pursuant to 26 U.S.C. section 146(d), which defines the State Ceiling. The pending year-end expiration may result in the assignment of expiration dates shorter than as prescribed in section 5100.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e) and 8869.89, Government Code.*

## § 5105. Reversion to Committee.

Upon the expiration of an issuance deadline, any amount of the Allocation that has not been used to issue Qualified Private Activity Bonds or converted to Mortgage Credit Certificate authority shall automatically revert to the Committee unless that amount is authorized by the Committee for transfer or is carryforward. If it is carryforward, it shall be used for the bond issuer's next bond issuance pursuant to Section 5133.



# California Debt Limit Allocation Committee Regulations

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.89, Government Code.*

## § 5106. State Single Family Programs.

Carryforward Allocations made pursuant to article 10 of this chapter to a Veterans Home Loan Program or a CalHFA Single Family Program are not subject to expiration except as set forth in 26 U.S.C section 146(f)(3).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*

## § 5107. Veterans Home Loan Programs. [Renumbered]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(e), Government Code.*

## Article 9. Transfers of Allocation

### § 5120. Transfer Requirements.

(a) Except for the reversion of unused Allocation pursuant to section 5106, Allocations are not transferable unless expressly authorized in writing by the Committee. The Committee may permit transfers of Allocation as follows:

(1) The Committee may permit transfers of carryforward Allocations to the highest scoring Application on a waiting list or, if a waiting list does not exist, the highest scoring Project in queue in a current Allocation Round.

(2) The Committee may permit transfers of Allocation between Applicants for the same Project. Prior to the transfer of an Allocation between Applicants for the same Project, the new Applicant must demonstrate that both the Minimum Application Requirements outlined in Section 5033 and the specified program threshold requirements have been met prior to the Committee's approval of the transfer.

(b) Where the Applicant is administering a Single Family Housing Program for itself and other participating jurisdictions, the use of Allocation within the participating jurisdictions listed in the Committee Resolution is not considered a transfer. For purposes of this subdivision, participating jurisdictions means those entities that have provided written assignment of their rights to secure an Allocation to the Applicant. The Applicant shall submit copies of the assignments with the Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.85(c), 8869.85(d) and 8869.86(a)(3), Government Code.*

## Article 10. Carry-Forward Allocations



# California Debt Limit Allocation Committee Regulations

## § 5130. Prohibitions.

An Applicant receiving an Allocation may not carryforward the Allocation to a subsequent calendar year unless expressly authorized in writing by the Committee.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.85(c), Government Code.*

## § 5131. Granting of Carryforward Allocations.

The Committee may award Allocation on a carryforward basis for the purpose of providing sufficient time for Applicants to issue Bonds under the current year's State Ceiling and/or to ensure all remaining portions of the State Ceiling are issued.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.85(c) and 8869.86(a)(3), Government Code.*

## § 5132. Expiration of Carryforward Allocations.

The Committee will specify the expiration date of the carryforward Allocation in the Committee Resolution memorializing the grant of the Allocation. If any amount of the carryforward Allocation has not been used to issue Bonds or convert Bonds to Mortgage Credit Certificate Authority on or before the expiration date, the performance deposit will be forfeited to the Committee and the Committee may require the Issuer to transfer the carryforward Allocation to another approved Project by the same Issuer in accordance with section 5120. If the Committee does not require a transfer of the carryforward Allocation, the expiration date may be extended with the approval of the Executive Director until the Allocation expires pursuant to 26 U.S.C. section 146(f)(3) or to each subsequent deadline for submitting Applications to the Committee. At that time, the Committee may require the Issuer to transfer the carryforward Allocation to another approved Project by the same Issuer.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e), 8869.85(c) and 8869.86(a)(3), Government Code.*

## § 5133. Use of Carryforward.

Pursuant to Section 5231, the Committee shall establish a rank-order list of all projects to be allocated during a competitive round. The Committee shall determine if the issuers for those projects that are scheduled to receive an allocation are in possession of any carryforward allocation not otherwise reserved for a project that has received an allocation but has not issued bonds, and if that condition exists, the Executive Director shall subscribe that carryforward to the projects ~~in~~ that are scheduled to be awarded an allocation in the current round pursuant to the priorities set forth by the Committee. The issuer's carryforward shall be applied to all projects recommended for an allocation until exhausted.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e), 8869.85(c) and 8869.86(a)(3), Government Code.*





# California Debt Limit Allocation Committee Regulations

## Article 11. Reporting and Compliance Requirements

### § 5140. Contact Information.

All reports required in this article shall be transmitted to the Committee at the address, e-mail or fax number listed on the Committee's website, [www.treasurer.ca.gov/cdlac](http://www.treasurer.ca.gov/cdlac).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### § 5141. Notification of Bond Issue.

Within twenty-four (24) hours of using the Allocation to issue Bonds or to convert Bond authority to Mortgage Credit Certificate authority, an Applicant or its counsel shall notify the Committee of such use of the Allocation via the e-mail address or facsimile number as provided in Section 5140. The notification shall identify the Applicant, the Project or program, the date the Allocation was used, and the amount of the Allocation used. For Qualified Residential Rental Projects, the notification shall also provide the estimated date of conversion to permanent financing and confirmation that the bond documents meet the requirements set forth in Section 5060.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.86(c), Government Code.*

### § 5142. Report of Action Taken.

Within fifteen (15) calendar days of the first Bond closing, conversion of Bonds to Mortgage Credit Certificate authority, or issuance of the first Mortgage Credit Certificate, an Applicant or its counsel shall transmit to the Committee information regarding the issuance of Bonds or the conversion of Bonds to Mortgage Credit Certificate authority by submitting the appropriate Report of Action Taken to the address as provided in section 5140.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.86(c), Government Code.*

### § 5143. Notification of Carryforward Election.

Applicants awarded Allocation on a carryforward basis as prescribed in section 5131 shall transmit to the Committee, via the address provided in section 5140, the documents provided to the Internal Revenue Service reporting the carryforward election no later than February 1st of the year immediately following the year in which the Allocation was awarded.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.86(c), Government Code.*

### § 5144. Annual Applicant Public Benefits and On-Going Compliance Self Certification.



## California Debt Limit Allocation Committee Regulations

(a) All Projects that receive an Allocation and are within an existing regulatory period and/or compliance period shall be monitored for compliance with the applicable terms and conditions of the Committee Resolution by the Applicant (Issuer) and CDLAC. The new Issuer takes responsibility of reporting on projects that have resyndicated after Year 15. Upon request, CDLAC will review and approve a termination of the original bond regulatory agreement with the requirement that the new agreement include affordability requirements that are at least as restrictive as those in the original agreement.

(b) The self-certification must be submitted by the Applicant to CDLAC no later than March 1 of each year (or at such other time as requested by the Committee). The requirement shall be enforceable by the Committee through an action for specific performance or other available remedy affecting the Applicant including but not limited to disqualification from the program.

(1) For Projects receiving an Allocation prior to December 31, 2016, the Applicant shall complete and submit the Annual Applicant Public Benefits and On-going Compliance Self Certification, via the online compliance certification system annually for the longer of the period the bonds remain outstanding or the period of restriction for QRRP projects outlined in Section 5192.

(2) For Projects receiving allocation after December 31, 2016, the Applicant shall complete and submit the Annual Applicant Public Benefits and On-going Compliance Self Certification via the online compliance certification system every year until the completion of the project and then if the project is subject to a Regulatory Period and/or Compliance Period every three years thereafter or sooner upon a termination of the Regulatory Period and/or Compliance Period.

(c) For all QRRP projects receiving allocations after December 31, 2016, Sponsors shall be required to utilize CTCAC's Compliance Online Reference Manual, specifically Section IV: Qualify Tenants for Low Income Housing Tax Credit Units, to verify tenant income in conjunction with initial occupancy. Additionally, Project Sponsors shall be required to prepare and forward a CTCAC Project Status Report (PSR) or equivalent documentation to the Applicant annually in conjunction with the Annual Applicant Public Benefits and On-going Compliance Self Certification. Sponsors shall retain information pertaining to the income verification process for 10 years.

(d) For all QRRP projects receiving allocation after December 31, 2016, compliance with the income and rental requirements of the Federally Bond-Restricted Units identified in the Committee Resolution and the Bond Regulatory Agreement must be demonstrated by the Applicants initial review of 20% of all management files associated with the Federally Bond-Restricted units and subsequent review every three years of 20% of all management files associated with the Federally Bond-Restricted units. Federally Bond-Restricted units will include a distribution of unit locations, sizes and income levels (if applicable) and must be identified in the PSR. For this 20% of files, Applicants must review each initial or subsequent occupant/s and their associated TIC in conjunction with the supporting income verification documentation of each occupant's initial occupancy and make a determination if the project is complying with the income and affordability standards. Additionally, Applicants must ensure a lease is in place and executed. This review may be performed on-site or may be performed through an electronic file audit. Completion of this task in addition to a valid Certification of Compliance II or equivalent form will provide Issuers with the ability to report annually to CDLAC regarding compliance with the Federally Bond-Restricted unit restrictions. Information pertaining to the income verification process will be kept on file for 10 years. Applicants must retain documentation memorializing review and determination of income eligibility for 10 years. Source income documentation must be retained for 1 year. These guidelines rely on the compliance monitoring process and procedures in place for CTCAC. To the extent CTCAC is to alter their compliance policies and procedures, these guidelines shall be reviewed by CDLAC for consistency and changes made where appropriate.

(e) For all QRRP projects receiving allocation after December 31, 2016, Sponsors requesting an allocation of bonds absent the receipt of a CTCAC reservation will be identified at the time of application and will have the following compliance options which will be represented in the Committee Resolution:

(1) Applicants that can demonstrate to the Executive Director's satisfaction experience and current capacity to conduct on-site physical and file inspections through their Compliance Policies will be required to conduct



## California Debt Limit Allocation Committee Regulations

the 20% review of the Federally Bond-Restricted units files on-site and perform a site inspection consistent with their Bond Compliance Policy every 3 years after the Qualified Project Period has commenced.

(2) Applicants that cannot demonstrate to the Executive Director's satisfaction capacity to conduct on-site physical and file inspections through their Compliance Policies will be required to enter into an agreement with a private third party compliance firm, approved by CDLAC, who must conduct the 20% review of Federally Bond-Restricted units files on-site and perform a site inspection consistent with their current policies and procedures every 3 years after the Qualified Project Period has commenced.

(3) A Sponsor can enter into contract with CDLAC or a designee to monitor the Federally Bond-Restricted units for consistency with the bond regulatory agreement and the Committee Resolution. The charge for this service will be equivalent to the compliance fee charged by CTCAC at the time the project submits their application to CDLAC.

(4) The election of the option will be included in the Committee Resolution.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a), 8869.85(b) and 8869.86(c), Government Code.*

### § 5145. Certification of Compliance.

(a) All QRRP Projects receiving an Allocation prior to December 31, 2016 shall be monitored for compliance with the applicable terms and conditions of the Committee Resolution by the Applicant and CDLAC for the longer of the period the bonds remain outstanding or the period of restriction outlined in Section 5192. MCC awards will be monitored until the allocation has been utilized. The Applicant shall annually collect from the Project Sponsor and retain for QRRP projects a Certification of Compliance I as attached to the Committee Resolution.

(b) For all Projects that receive allocation after December 31, 2016 and subject to a Regulatory Period and/or Compliance Period, the Applicant shall collect from the Project Sponsor and retain the applicable QRRP or Non-QRRP Certification of Compliance II as attached in the Committee Resolution or other comparable form outlined in an Applicant's approved Bond Compliance Policies. The QRRP or Non-QRRP Certification of Compliance II will be submitted annually to the Applicant until the Project is completed and then if the project is subject to a Regulatory Period and/or Compliance Period, every three years thereafter or sooner upon a termination of the Regulatory Period and/or Compliance Period. Additionally, Applicants shall collect from the Project Sponsor and retain the applicable QRRP or Non-QRRP Certificate of Completion as provided in the Committee Resolution or other comparable form outlined in an Applicant's approved Bond Compliance Policies. In both instances, the certification must be submitted by the Project Sponsor. The Applicant will then provide confirmation of receipt to the California Debt Limit Allocation Committee no later than March 1 of each applicable year (or at such other time as requested by the Committee) via the online compliance certification system. These requirements shall be enforceable by the Committee through an action for specific performance or other available remedy against the Project Sponsor.

(c) All QRRP Projects that receive Allocation and an award of low income housing tax credits shall be monitored by the Committee or an entity acting on its behalf for compliance with the terms and conditions of the Committee Resolution, and shall be subject to the provisions of section 10337 of Title 4 of the California Code of Regulations.

(d) All Non-QRRP Applicants must designate CDLAC, for the life of the bonds, to receive notice of changes in use and circumstances of Bond Default and Qualifying Bond Default.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5146. Disqualification.

The Committee may disqualify an Application for a portion of the Pool if any of the following have been documented about the Project Issuer, Project Sponsor or any entity that is a Related Party of the Project Sponsor:

(a) Significant outstanding non-compliance in matters relating to the annual Certification of Compliance I or Certification of Compliance II, Certificate of Completion, tenant files or physical conditions at any tax-exempt Bond or low income housing tax credit financed property in California. Requests to excuse properties monitored by the Committee or an entity acting on its behalf and owned by the Project Sponsor or any entity that is a Related Party of the Project Sponsor or management company will not be considered until the Committee has received documentation that the outstanding non-compliance matters have been resolved;

(b) Multiple or repeated failures to use committed public subsidies or private activity Bond allocations within applicable deadlines, or to provide committed physical amenities or services;

(c) Providing false information in connection with an Application; or

(d) Information that leads the Committee to reasonably and in good faith conclude that an allocation would be inimical to, or incompatible with, the purposes of these regulations, the laws regulating the allocation of the State Ceiling on Qualified Private Activity Bonds, or the obligation on the Committee to affirmatively further fair housing pursuant to Government Code section 8899.50(b)(1). In determining whether an Application is compatible with the Committee's responsibility to affirmatively further fair housing, the Committee shall consider whether the Applicant, Project Issuer, or Project Sponsor has a documented history of violating state or federal fair housing laws.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a), 8869.85(b) and 8869.86(c), Government Code.*

## Article 12. Universal Evaluation Criteria for All Applications

### § 5150. Satisfactory Evidence.

Wherever these regulations require that an Applicant demonstrate a certain condition or characteristic or satisfy certain minimum requirements, each such condition or characteristic or minimum requirement must be demonstrated by satisfactory evidence. The Executive Director shall, upon delegation by the Committee, determine whether each condition, characteristic or minimum requirement has been satisfactorily demonstrated and may refuse to consider any Application that has not satisfactorily demonstrated every minimum requirement.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.83(b) and 8869.84(c), Government Code.*

### § 5151. Evaluation of Points.

Wherever the Application process contemplates the awarding of points, the Applicant must demonstrate by satisfactory evidence that the related criterion has been satisfied. Where it is determined by Committee staff that the evidence has not been satisfactorily demonstrated, the Executive Director shall not award the related points.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5152. Readiness Threshold.

The Applicant must demonstrate satisfactory evidence to Committee staff that it can use the Allocation within the time frame as provided in article 8 of this chapter.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(e), 8869.85(a) and 8869.85(b), Government Code.*

## § 5153. Measurement of Distance.

(a) Except as provided in subdivision (b), wherever these regulations contemplate an award of points based on a measurement of distance, that distance shall be measured from the perimeter of the proposed Project to the perimeter of the site amenity referenced. Applications shall include a detailed scaled-for-distance map from which the Committee can document that the measurement criteria have been met.

(b) Wherever these regulations refer to CTCAC regulations, in the event of any conflict between these regulations and the CTCAC with respect to measurement of distance, the CTCAC regulations shall prevail.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5154. Discovery of Erroneous Information.

It is the responsibility of each Applicant and each Project Sponsor to provide the Committee with complete and accurate information at the time the Application is filed. If the Applicant/Project Sponsor (or their attorneys, agents, employees, or other representatives) provides material that is incomplete, erroneous, inaccurate, misleading or false as to a fact to the Executive Director's decision-making process, the Application may be rejected. If incomplete, erroneous, inaccurate, misleading or false information is discovered by Committee staff after an Allocation has been made, the Allocation may be rescinded if Bonds have not been sold or an election to convert Bond authority to Mortgage Credit Certificates has not been filed with the Internal Revenue Service. If Bonds have been sold or converted to Mortgage Credit Certificates, the Committee may take other action as it deems appropriate.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5155. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 2. Qualified Residential Rental Projects

### Article 1. Definitions

#### § 5170. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“Adaptive Reuse” means the retrofitting and repurposing of existing buildings that create new Qualified Residential Rental Project units for the market, and expressly excludes any Project that involves rehabilitation or any construction affecting existing residential rental units.

“AMI” or “Area Median Income” means the median family income of a county as set by the U.S. Department of Housing and Urban Development.

“At Risk Project” means a property that is at risk of conversion as defined by Revenue and Taxation Code section 17058(c)(4) and by section 10325(g) of Title 4 of the California Code of Regulations; or a property that otherwise meets all requirements of Revenue and Taxation Code section 17058(c)(4) and section 10325(g) of Title 4 of the California Code of Regulations, except that the federal assistance due to expire within five (5) calendar years of application to the Committee may include a tax-exempt private activity Bond regulatory agreement.

“BIPOC Entity” means an entity that is at least 51% owned, managed, and controlled by one or more Black, Indigenous, or Other People of Color or by a non-profit organization with a Black, Indigenous, or Other Person of Color executive director/Chief Executive Officer (CEO) and board membership that is comprised of at least 51% Black, Indigenous, and Other People of Color. For purposes of this paragraph, Black, Indigenous, or Other People of Color means “a person who checked the Black or African American, American Indian and Alaska Native, Asian, or Native Hawaiian and Other Pacific Islanders race category or who answered yes to the Hispanic Origin question on the 2020 United States Census.

“BIPOC Project” means a Qualified Residential Rental Project for which the sponsor is a BIPOC Entity. A BIPOC Project may be a New Construction Project, Rural Project, Preservation Project, or Other Rehabilitation Project. The partnership agreement of a BPOC Project must allocate at least 51% developer fee, cash flow, and net sale proceeds to the BIPOC Entity and provide the BIPOC Entity an option to purchase the development. A BIPOC Project does not include a project for which any principal, partner, affiliate, parent organization, or member of the sponsor entity is eligible to receive maximum General Partner Experience points pursuant to Section 10325(c)(1)(A) of the CTCAC regulations unless those points are awarded to a principal of the BIPOC Entity who no longer is employed by the developer of, or has an ownership interest in, the project(s) which form the basis of the experience points.

“Bond and State Credit Allocation” means the Allocation plus any California State Tax Credits requested from CTCAC for an individual QRRP Project.

“Capital Needs Assessment” means a document containing the information defined in section 5212.

“Community Revitalization Area” means one of the following areas for which a comprehensive Community Revitalization Plan has been adopted and efforts specific to that plan have occurred: 1) a Distressed Community; 2) a Federal Opportunity Zone, Choice Neighborhood, or HUD-approved Neighborhood Revitalization Strategy Area; or 3) a Disadvantaged Community as identified by the California Environmental Protection Agency’s CalEnviroScreen map.

“Community Revitalization Plan” means a plan for contributing to concerted community revitalization efforts as demonstrated by a letter from a local government official. The letter shall explain how the proposed project will



## California Debt Limit Allocation Committee Regulations

contribute to the community's planned revitalization and include, but is not limited to, a description of the following community engagement, investment, and other revitalization efforts:

1. Community enhancement services in the area, including, but not limited to, job training and after-school enrichment programs.
2. Funds, not including funds for the proposed project, that have been expended in the past five (5) years or are being expended or committed to be expended to improve the community infrastructure, including, but not limited to, parks, storm water systems, sewer systems, and streets.
3. Projects, not including the proposed project, that have been completed within the past five (5) years or are underway or committed to be completed that contribute to community revitalization, including, but not limited to, retail, office, and housing projects.

"CTCAC/HCD Opportunity Area Map" shall have the same meaning as in Section 10302(~~zzccc~~) of the CTCAC regulations. An applicant may choose to utilize the census tract or census block group resource designation, as applicable, from the CTCAC/HCD Opportunity Maps in effect when the initial site control was obtained up to seven calendar years prior to the application. Projects located in map areas designated as "Missing/Insufficient Data" or similar designation shall be considered to be in the resource area that most frequently surrounds the perimeter of the Project's map area.

"Energy Star" means the certification satisfying the requirements of 42 U.S.C. section 6294(a).

"Federal Promise Zone" means any area with a continuous boundary and a population of not more than 200,000 that is nominated by a local government or Indian tribe and designated by the U.S. Department of Housing and Urban Development to receive priority for Federal funding on the basis of its unemployment, poverty, vacancy, and crime rates.

"FHA" means Federal Housing Administration.

"FHA Financed Project" means a project financed under 221(d)3, 221(d)4, 223(f) Federal Housing Administration insurance program, or the Section 202 or 811 Capital Advance program, or any HUD- sponsored capital financing pilot program.

"Final and Conclusive Determination Letter" means a written confirmation from the Department of Finance (DOF) that its determination of an enforceable obligation as approved in a recognized obligation payment schedule is final and conclusive, and reflects DOF's approval of subsequent payments made pursuant to the enforceable obligation.

"Gross Rent" means gross rent as defined by 26 U.S.C. section 42(g)(2)(B). Utility allowances, as provided by 26 U.S.C. section 42(g)(2)(B)(ii), will be included for purposes of this calculation. Projects that are At Risk Projects or Projects that request low income housing tax credits are required to use Gross Rents for the calculation of restricted rents.

"Hard Costs" means the cost of the work specified in a construction contract, including site work, excluding contractor profit, general requirements and contractor overhead.

"HUD" means the United States Department of Housing and Urban Development.

"HUD Development Acknowledgement Letter" means HUD correspondence outlining that a project has submitted an application for FHA financing, that the application has been deemed complete, and that HUD is committed to providing the project with a Firm Commitment Letter prior to the issuance expiration date of the project's Allocation.

"HUD Firm Commitment Letter" means a HUD loan commitment for FHA financing.



## California Debt Limit Allocation Committee Regulations

“MAP Lender” means a HUD-qualified lender that prepares FHA forms and performs preliminary underwriting for certain FHA loan applications.

“Native American Lands” means real property located within the State of California that meets both the following criteria:

(a) is trust land for which the United States holds title to the tract or interest in trust for the benefit of one or more tribes or individual Indians, or is restricted Indian land for which one or more tribes or individual Indians holds fee title to the tract or interest but can alienate or encumber it only with the approval of the United States.

(b) the land may be leased for housing development and residential purposes under federal law.

“New Construction Project” means a QRRP project applying for an allocation of tax-exempt private activity bonds that meets at least one of the following: (1) 100% of its units constitute new units to the market, (2) involves the demolition or rehabilitation of existing residential units that increase the unit count by either 25 units or 50% of the existing units, whichever is greater, or (3) adaptive re-use of non-residential structures, including hotels and motels that were converted to residential use within the previous five (5) years from the date of the application.

“Other Rehabilitation Project” means a QRRP Project applying for an allocation of tax-exempt private activity bonds from the General Pool that is not eligible for treatment as a New Construction Project or a Preservation Project. In a Competitive Application Process, an Other Rehabilitation Project shall meet all of the following criteria:

1. Shall complete at least \$60,000 in hard construction costs per tax credit unit, as defined in CTCAC Regulation Section ~~40320~~10302(x); and
2. At least 60% of hard construction costs shall be expended only on immediate health and safety improvements, seismic and accessibility improvements, and/or the replacement of major systems with a remaining useful life of less than ten years, as evidenced by a CTCAC Capital Needs Assessment.

“Permanent Supportive Housing” means a QRRP Project receiving points pursuant to Section 5230(g) as a Special Needs Project for which the minimum required percentage of special needs units are designated as “supportive housing” as that term is defined in Health and Safety Code section 50675.14(b). The project shall comply with the core components of Housing First, as defined in Welfare and Institutions Code section 8255(b), with respect to the units designated for homeless households.

“Preservation Project” means a QRRP Project applying for an allocation of tax-exempt bonds that is not a New Construction project and meets at least one of the following: (1) has a pre-1999 HCD loan that is being restructured pursuant to Health and Safety Code section 50560 of (AB 1699 projects); (2) is a replacement or rehabilitation project approved by HUD pursuant to a Section 18 or Section 22 Demolition/Disposition authorization; (3) is an At-Risk project that is not subject to a regulatory agreement imposing a rent restriction with a remaining term that is greater than five years from the year in which the application is filed that restricts income and rents on the residential units to an average no greater than 60% of the area median income; or (4) is a project being rehabilitated under the HUD Rental Assistance Demonstration (RAD) Program.

“Qualified Project Period” shall mean the same as defined in 26 U.S.C. section 142(d)(2)(A) and regulations promulgated thereunder, except that the minimum term shall be consistent with Section 5192.

“Rent Comparability Matrix” means the form by which the third party that has completed the Market Study provides information comparing the Project to comparable properties in the Project’s market area and evidences that each of the Project’s unit types has met the requirements of Section 5191(b).





## California Debt Limit Allocation Committee Regulations

“Residential Rental Regulatory Agreement” means a covenant recorded against the title of a subject property by a government entity limiting the property’s use to rental housing and restricting tenant incomes and rents to no more than 80% of the Area Median Income of the County in which the property is located.

“Scattered Site Project” means multiple location Projects that:

- (a) except where a single existing project-based Section 8 contract is in effect that covers all locations, consist of no more than five (5) locations; and
- (b) are not contiguous except for the interposition of a road, street, stream or similar property; and
- (c) are proposed to be financed through a single pooled bond transaction; and
- (d) all locations are:
  - (1) subject to a Residential Rental Regulatory Agreement or subject to a federal, state, or local rental or operating assistance agreement:
    - (A) within the boundaries of the same city, or
    - (B) within a 10-mile diameter circle within the same county, or
    - (C) within the same county if no location is within a city having a population of five-hundred thousand (500,000) or more; or
  - (2) All projects not described within (d)(1) must be within a one (1) mile diameter.

“Standard QRRP Application” means the Application for an Allocation of the Qualified Residential Rental Project Pool titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Qualified Residential Rental Project (QRRP)” (Revised 05-31-2018), which is hereby incorporated by reference.

“State of California Universal Application for the Development of Affordable Rental Housing” means the State of California Universal Application for the Development of Affordable Rental Housing as provided by the California Department of Housing and Community Development, the California Housing Finance Agency, the California Tax Credit Allocation Committee, and the California Debt Limit Allocation Committee for an Allocation of the Qualified Residential Rental Project Pool (revised 8-13-10), which is hereby incorporated by reference.

“Supplemental Allocation” means the award of allocation to a Qualified Residential Rental Program Applicant for a Project that received previous Allocation.

~~“Supplemental Allocation Request Letter” means the written request from the Applicant for Supplemental Allocation for Projects having been awarded Allocation within the last thirty six (36) months that may be submitted in lieu of a complete Application. The letter must be signed by the Applicant and include information about the Project including the date and amount of prior Allocation, the current status of the Project, revised sources and uses of funds, justification for the request for additional Allocation, and any additional information the Committee or Executive Director deems necessary.~~

“Universal Competitive Addendum” means the application addendum submitted along with a State of California Universal Application for the Development of Affordable Rental Housing as provided by the California Department of Housing and Community Development, the California Housing Finance Agency, the California Tax Credit Allocation Committee, and the California Debt Limit Allocation Committee for an Allocation of the Qualified Residential Rental Project Pool titled “Competitive Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Qualified Residential Rental Project (QRRP) Universal Application Addendum” (revised 11-30-2018), which is hereby incorporated by reference.



# California Debt Limit Allocation Committee Regulations

“Universal Open Addendum” means the application addendum submitted along with a State of California Universal Application for the Development of Affordable Rental Housing as provided by the California Department of Housing and Community Development, the California Housing Finance Agency, the California Tax Credit Allocation Committee, and the California Debt Limit Allocation Committee for an Allocation of the Qualified Residential Rental Project Pool titled “Non-Competitive Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Qualified Residential Rental Project (QRRP) Universal Application Addendum” (revised 11-30-2018), which is hereby incorporated by reference.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## Article 2. Applications

### § 5180. Application Process.

Applicants seeking an Allocation of the Qualified Residential Rental Project Pool shall be considered in accordance with the provisions of chapter 1 and the submission of a QRRP Application. If deficiencies in the application are identified by CDLAC staff, CDLAC staff shall notify the Project Sponsor and the applicant, and the applicant will have 5 days from staff-issued notification to cure the deficiencies. If, after the 5 days, the deficiencies have not been corrected, as determined by CDLAC staff, the application will be deemed incomplete.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5181. Concurrent Application with Other Agencies.

Applicants for an Allocation of the Qualified Residential Rental Project Pool that also seek financing in conjunction with the California Department of Housing and Community Development and/or the California Housing Finance Agency may submit a Universal Competitive Addendum or a Universal Non-Competitive Addendum depending on whether the Allocation Round for which the Application is being submitted is being conducted under a competitive or non-competitive process as provided in section 5010(b).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5182. Concurrent Application with CTCAC.

Applicants requesting an Allocation for a Qualified Residential Rental Project who concurrently have an application for the same Project filed with CTCAC for consideration under the nine (9%) percent program set forth in section 10325 of Title 4 of the California Code of Regulations will not be permitted to apply to the Committee unless the application to CTCAC is withdrawn prior to the Application deadline.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5183. Subsequent Application with CTCAC.

Applicants that receive an Allocation for a Qualified Residential Rental Project are prohibited from subsequently requesting an allocation of 9% low income housing tax credits from CTCAC for the same Project, except where the Committee grants a waiver based on extraordinary circumstances, including but not limited to, the passage of significant time or circumstances outside the Applicant's control, and makes a determination that the waiver is consistent with the provision of affordable housing.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Minimum Requirements

### § 5190. Readiness.

In its Application, the Project Sponsor shall demonstrate its readiness to use the Allocation as set forth in this section.

(a) Demonstrated site control. The Applicant shall provide evidence that the Project site is at the time of Application submission within the control of the Applicant or Project Sponsor. Applicants shall provide information regarding the current owner of the project property, if other than the Project Sponsor. Except as provided below for reapplications, a current preliminary or final title report, or, for projects that will be located on Native American Trust Lands, a Land Title Status Report from the Bureau of Indian Affairs or an attorney's opinion regarding chain of title and current title status, all of which shall be dated no more than ninety (90) days prior to Application deadline as provided in section 5030, shall be submitted with all applications for the purposes of this requirement. A commitment for the title insurance or a title insurance document are not acceptable substitutions for a preliminary title report, final title report, or a title report. The Committee may permit the site control title report of an unsuccessful application to be submitted, only once, in the reapplication cycle immediately following the unsuccessful application.

(1) Site control may be evidenced by any of the following:

(A) The Applicant or Project Sponsor holds fee title as evidenced by the current (within 90 days prior to the Application date) preliminary or final title report;

(B) An executed lease agreement or lease option for the length of time the Project will be regulated under this program between the Applicant or Project Sponsor and the owner of the subject property;

(C) An executed disposition and development agreement for the length of time the Project will be regulated under this program between the Project Sponsor and a public agency; or

(D) A valid, current, and enforceable contingent purchase and sale agreement or option agreement between the Project Sponsor and the owner of the subject property, ~~including evidence that all extensions necessary to keep the agreement current through the date of the award of Allocation have been executed.~~ Evidence must be provided at the time of the application that all extensions and other conditions necessary to keep the agreement current through the application filing deadline have been executed.

(E) Valid, current and enforceable purchase and sale agreements, contingent purchase sale or option agreements in combination between the Project Sponsor, a third party and the owner of the subject property such that the Committee can determine that upon a grant of Allocation the Project Sponsor has a right to acquire the subject property.



## California Debt Limit Allocation Committee Regulations

(F) The Executive Director may determine that site control has been demonstrated where a local agency has documented its intention to acquire the site, or portion of the site, through eminent domain proceedings as evidenced by order(s) of possession.

(b) Local Approvals and Zoning. The Project Sponsor shall provide evidence, no later than the application due date for the allocation round in which the Project is seeking an allocation, that the project meets the requirements of Section 10325(f)(4) of the CTCAC regulations.

(c) Project Sponsor and Project Developer. If not requesting experience points pursuant to section 5230(f), the application must include a summary of the Project Sponsor and Project Developer experience developing or rehabilitating housing with tax-exempt bond financing. A list of projects must be included. The list may take the form of the CTCAC Experience Attachment.

(d) Legal Status of Project Sponsor and Developer. Applicants shall provide information regarding the legal status of the Project Sponsor and Developer.

(1) Financial Viability. Disclose any legal or regulatory action or investigation that may have a material impact on the financial viability of the project or the Project Sponsor and Developer. The disclosure should be limited to actions or investigations in which the applicant or the applicant's parent, subsidiary, or affiliate involved in the management, operation, or development of the project has been named a party. Not Applicable is an unacceptable response.

(2) Fraud, Corruption, or Serious Harm. Disclose any legal or regulatory action or investigation involving fraud or corruption, or health and safety where there are allegations of serious harm to employees, the public, or the environment. The disclosure should be limited to actions or investigations in which the Project Sponsor and Developer or the Project Sponsor's and Developer's current board member (except for volunteer board members of non-profit entities), partner, limited liability corporation member, senior officer, or senior management personnel has been named a defendant within the past ten years. Not Applicable is an unacceptable response.

(3) Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome. For a publicly-traded company, the relevant sections of the company's 10K, 8K, and 10Q most recently filed with the Securities and Exchange Commission may be attached in response to question #1. With respect to a response for question #2, previous 10K, 8K, and 10Q filings of the company may be attached if applicable.

(4) Fair Housing and Anti-Discrimination Laws. Disclose any regulatory or investigative proceeding by a local, state, or federal agency relating to an alleged, pending, ongoing, or closed violation of fair housing or anti-discrimination laws and the status of the proceeding, as applicable.

(e) Reserved.

(f) Legislative Districts and Census Tracts. Applicants shall provide

a. Federal Congressional District in which the proposed Project is located

b. State Senate District in which the proposed Project is located

c. State Assembly District in which the proposed Project is located

d. Census Tract in which the proposed Project is located.



## California Debt Limit Allocation Committee Regulations

(g) Prior Tax-Exempt Allocation Award. The Application will provide a narrative explanation of the circumstances surrounding the prior allocation and why additional allocation is being requested.

(h) Project Description. Applicant shall submit a narrative description of the proposed Project. The description must contain, at a minimum, the following details: 1) the number of acres of the site (include topography and special features), 2) a description of the surrounding neighborhood, 3) the targeted population for the project (i.e., large families, seniors, etc.), 4) the expected start and completion date of construction/rehabilitation, 5) physical features of the project (i.e., description of buildings, grounds, project amenities, etc.), 6) unit configuration, 7) unit amenities, 8) scope of rehabilitation work, and 9) if applicable, a description of other unique features of the project. 10) (a) If the Application is submitted under a non-competitive process, the Application must include a description of the Project Type and Characteristics, including the construction type and proposed tenant population pursuant to Section 5000. (b) If the Application is submitted under a competitive process, Project Type and Characteristics documentation must be included pursuant to Sections 5000 and 5170.

(i) Detailed Unit Affordability Information.

(1) The application will include the Federal Bond-Election of 20% at 50% Area Median Income, or 40% at 60% Area Median Income.

(2) For At-Risk projects and 4% low income housing tax credit projects, this shall mean that the Project units must have Gross Rents that are restricted to households whose incomes must be 50% or less of the AMI; or Gross Rents that are restricted to households whose incomes must be 60% or less of the AMI. Applications not meeting this minimum requirement will be deemed incomplete.

(3) The Application will include tables with the following information on the Restricted Rental Units: Number of Bedrooms/Number of Bathrooms, Unit Size in square feet, number of units in subtotals and total, total square feet per unit type in subtotals and total, proposed monthly tenant-paid rent per unit (excluding utilities), proposed monthly rental subsidy per unit, proposed monthly income per unit, monthly utility allowance, monthly gross rent, percent of Area Median Income based on monthly gross rent, and annualized total rental income. The Application will include another table, Market Rate Units, including number of bedrooms, unit square feet in subtotal and total, number of units, proposed monthly tenant-paid rent per unit (excluding utilities), total proposed tenant paid rent and annualized total rental income. Application will include a table, "Managers' Units" Restricted or Market Rate. The table will include columns for number of bedrooms, unit square feet in subtotal and total, number of units, proposed monthly manager-paid rent per unit, total proposed monthly manager-paid rent and annualized total rental income. Application will include a table with total number of units (excluding manager units), total number of restricted units, percent of total restricted units, number of units at or below 50% AMI, percent of units at or below 50% AMI, number of units above 50% to 60% AMI, percent of units above 50% to 60% AMI, number of restricted rental units with 3 or more bedrooms, and percent of restricted rental units with 3 or more bedrooms. Applicants shall provide a breakdown of Project unit types, size, number of units, proposed tenant-paid rent, monthly utility allowances (if any), subsidies (if any) and unit percentage of Area Median Income (AMI) level based on monthly Gross Rent.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5191. Income and Rent Restrictions.

All Qualified Residential Rental Projects must meet the following minimum income and rent restrictions, which will be included in the Committee Resolution.



## California Debt Limit Allocation Committee Regulations

(a) **Minimum Income Restrictions.** A minimum of ten percent (10%) of the units in a Qualified Residential Rental Project must have Gross Rents that are restricted to households with incomes no greater than fifty percent (50%) of the AMI. The rent restricted units that meet this requirement, with the exception of Mixed Income Projects, acquisition rehabilitation projects already subject to a Residential Rental Regulatory Agreement or a federal, state, or local operating or rental assistance agreement, and units located on the upper level floors of high-rise developments, shall be generally distributed in terms of location and number of bedrooms throughout the Project. All projects shall offer a range of sizes and number of bedrooms comparable to those units that are available to other tenants.

(b) **Minimum Rent Restrictions.** Except for projects subject to an existing Residential Rental Regulatory Agreement that propose tenant paid rents and income targeting not exceeding one hundred-five percent (105%) of the current rents and targeting and operate with a vacancy rate of no more than five percent (5%), for single room occupancy and special needs housing a vacancy rate of no more than ten percent (10%) as demonstrated by a market study completed pursuant to 26 U.S.C. Section 42(m)(1)(A)(iii); the proposed tenant paid rents for each Restricted Rental Unit type (defined by bedroom count) in the proposed development shall be at least ten percent (10%) below the weighted average rent for comparable market rate units and each Restricted Rental Unit's value ratio (dollars per square foot) shall be at or below the weighted average unit value ratio for comparable market rate units as demonstrated in a Rent Comparability Matrix meeting the requirements of article 4 of this chapter.

(c) **Utility Allowance Evidence.** All Projects shall be subject to the use of Gross Rent as defined by Section 5170 and shall provide evidence in one of the following forms:

(1) A letter from the local public housing authority that includes a current utility allowance schedule, certifies that the proposed Project is located within its jurisdiction and itemizes which components of the utility allowance schedule applies to the Project. Projects that are subject to a Department of Housing and Urban Development (HUD) Section 8 Housing Assistance Payments Program do not require a housing authority certification and may rely solely on the utility allowance included in a HUD rent schedule provided the schedule specifically identifies the name of the Project.

(2) If a Project is to be substantially retrofitted for energy conservation or will be newly constructed with substantial energy conservation, the Applicant may submit revised utility allowances based on the projected reduction in utility costs after construction or retrofit. The revised utility allowances shall be validated by either of the following:

(A) A letter from the public utility or housing authority having jurisdiction over the Project that validates the revised utility allowances based on the proposed use of energy conservation materials, or

(B) A current utility allowance estimate consistent with 26 CFR section 1.42-10 (4-1-17), which is hereby incorporated by reference. The Applicant must indicate which components of the utility allowance schedule apply to the Project. For buildings that are using an energy consumption model utility allowance estimate, the estimate shall be calculated using the most recent version of the California Utility Allowance Calculator (CUAC) developed by the California Energy Commission; and in accordance with the California Tax Credit Allocation Committee's minimum requirements for utility allowance estimates, Title 4, Division 17, Chapter 1, Section 10322(h)(21).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5192. Minimum Term of Restrictions.

(a) Income and rent restrictions as identified in the Committee Resolution for the total number of units must be maintained for the Qualified Project Period. Except as provided in subdivision (b), the Qualified Project Period shall be fifty-five (55) years following the date on which fifty percent (50%) occupancy is achieved or otherwise commencement of the Qualified Project Period. Projects located on Native American Lands shall have a term of restriction of 50 years from the property lease effective date.

(b) If a Project is intended for eventual tenant homeowners the applicant shall provide evidence of a financially feasible program in the Application. The program shall include, but is not limited to, an exit strategy, home ownership counseling, funds to be set aside to assist tenants in the purchase of units, no involuntary relocation of tenants, and a plan for conversion of the facility to home ownership no sooner than the end of the initial 15-year Qualified Project Period as required by 26 U.S.C. section 142(d)(2)(A). In such a case, the regulatory agreement shall contain provisions for the enforcement of such covenants.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5193. Debt Service Coverage Ratio.

(a) For Qualified Residential Rental Projects, ~~a-the~~ minimum debt service coverage ratio (the ratio of the net operating income from the Project divided by the required debt service on the debt associated with the Project) shall ~~be no less than 1.15 in at least one of the project's first three years~~ meet the requirements outlined in Section 10327(g)(6) of CTCAC Regulations, except for FHA/HUD projects, RHS projects or projects financed by the California Housing Finance Agency.

(b) Applicants shall complete the following information relating to the Debt Service Coverage Ratio contained in the commitment for credit enhancement or private placement purchase of bonds, using annualized pro-forma figures:

(1) Potential gross income less vacancy rate. Applicants shall use market area vacancy rate or appraised vacancy rate, but in no event use less than 5%. If less than 5% is being used, a written explanation as to the reason must accompany the Application.

(2) net operating income (effective gross income minus operating expenses (include Operating & Replacement Reserves)), and

(3) principal plus interest (debt service), and

(4) the debt service coverage ratio (net operating income divided by principal plus interest). If Potential Gross Income is significantly higher than Monthly Gross Rent, then CDLAC may ask the applicant to identify other sources of Potential Gross Income to ascertain that these other sources are allowed.

(c) The Applicant shall also submit an itemized breakdown of the operating expenses. Annual operating expenses: general administrative (advertising, legal, accounting/audit, security, other and total general administrative), management fee, utilities (fuel, gas, water/sewer, other, total utilities), payroll/payroll taxes (on-site manager, maintenance personnel, insurance, other, total payroll/payroll taxes), maintenance (painting, repairs, trash removal, exterminating, grounds, elevator, other, total maintenance), service amenities budget (service coordinator/social worker, other, total service amenities), other (specify)(total other), total annual residential operating expenses, total real estate taxes, total reserves (operating and replacement), annual commercial operating expenses (if applicable), total commercial space expenses (if applicable) and total operating expenses.



# California Debt Limit Allocation Committee Regulations

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5194. Project Sources & Uses and Project Costs.

- (a) Applications shall submit an itemized breakdown of the complete sources of construction financing; and
- (b) Applications shall include a listing of permanent sources and uses or complete and submit CTCAC's Form Sources and Uses Budget or comparable documentation; and
- (c) All liens to be included in the proposed financing should be itemized and a list of all liens to be paid off at closing must be provided as Disposition of Current Outstanding Liens. All non-assumed liens to be paid off at closing shall be separately listed including lender/loan, amount, disposition and corresponding exception number from the Title Report; and
- (d) For rehabilitation projects, Applicants shall submit an itemized breakdown of hard construction costs labeled as Attachment 8-B.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 4. Market Studies

### § 5200. Minimum Requirements.

The Market Study shall meet the current guidelines as required by the California Tax Credit Allocation Committee (CTCAC); in California Code of Regulations, Title 4, Section 10322(h)(10).

- (a) A full Market Study with a Rent Comparability Matrix for each applicable unit type prepared within (180) days of the Application deadline by an independent third party having no identity of interest with the Applicant, Project Sponsor, or Related Party is required.
- (b) The study must establish both need and demand for the proposed Project. If the Market Study does not support sufficient need and demand for the Project, the Application may be considered ineligible to receive an award of Allocation.
- (c) A market study shall be updated when proposed subject project rents change by more than five percent (5%), or the distribution of higher rents increased by more than 5%, or 180 days have elapsed between the earliest site inspection date for the subject property or comparable properties and the application submission deadline for the round in which the Project is seeking an allocation. CDLAC shall not accept an updated market study when more than twelve (12) months have passed since the earliest listed site inspection date of either the subject property or any comparable property. In such cases, applicants shall provide a new market study.
- (d) Acquisition/Rehabilitation projects subject to an existing Residential Rental Regulatory Agreement or a federal, state, or local operating or rental assistance agreement may provide, as an alternative to providing a market study and affordability matrices consistent with Section 5200(a), a comprehensive market study consistent with 26 U.S.C.





# California Debt Limit Allocation Committee Regulations

Section 42 (m)(1)(A)(iii). The study shall be a written statement, certified by a third-party market analyst, which includes a current rent roll. In addition, the project shall meet at least one of the following requirements:

(1) as certified by a third-party market analyst, the proposed tenant paid rents and income targeting will not exceed one hundred-five percent (105%) of the current rents and targeting and a vacancy rate of no more than five percent (5%); for single room occupancy and special needs housing a vacancy rate of no more than ten percent (10%); or

(2) as evidenced by copies of executed contracts, that the Project has been receiving federal, state, or local operating or rental assistance and will continue to receive such assistance for at least five (5) additional years. If a contract demonstrating operating or rental assistance for an additional five (5) years is not available, a letter signed by the contractor's senior official may be submitted that describes the efforts undertaken to effectuate an operating or rental assistance contract, the expected duration of the contract, and the expected contract execution date.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 5. Sustainable Building Standards

### § 5205. Minimum Requirements.

(a) Applicants shall provide a certification that the minimum specifications pursuant to Section ~~10325(f)(7)(A) thru (J)~~ 10326(g)(6) of the CTCAC Regulations will be incorporated into the project design for all new construction and rehabilitation projects.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 6. Acquisition and Rehabilitation Projects

### § 5210. Minimum Expenditures.

Except as set forth in subdivision (a) of this section, Qualified Residential Rental Projects involving the rehabilitation of existing buildings must complete a minimum of \$15,000 in hard construction costs per unit.

(a) At Risk Projects that receive only an award of Bond authority and do not receive low income housing tax credits must spend the minimum amount required by 26 U.S.C. section 147(d)(2).

(b) For purposes of this article, "hard construction costs" means the sum of the structure costs plus on-site and off-site costs.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5211. Tenant Relocation.



# California Debt Limit Allocation Committee Regulations

Applicants proposing rehabilitation or demolition of occupied housing shall comply with Section 10322(h)(28) of the CTCAC regulations.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5212. Capital Needs Assessment.

Except as provided below for reapplications, the Applicant shall submit a Capital Needs Assessment with report and inspection dates within 180 days prior to the Application deadline that details the condition and remaining useful life of the building's major structural components, all necessary work to be undertaken and its associated costs, as well as the nature of the work, and distinguishing between immediate and long-term repairs. The Capital Needs Assessment shall also include a fifteen (15) year reserve study, indicating anticipated dates and costs of future replacements of all major building components that are not being replaced immediately and the reserve contributions needed to fund those replacements. The Capital Needs Assessment shall be prepared by the Project's architect, as long as the architect has no identity of interest with the Project Sponsor or other member of the development team; or by a qualified independent third party who has no identity of interest with any of the members of the development team. The Capital Needs Assessment is not required if the Project, within the immediately preceding three (3) years, received an Allocation and this requirement was satisfied in the original Application. The Committee may permit the Capital Needs Assessment of an unsuccessful application to be submitted, only once, in the reapplication cycle immediately following the unsuccessful application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 7. Post Issuance Oversight and Termination of Project-Based Subsidies

### § 5220. Regulatory Compliance.

(a) All QRRP allocation recipients are required to execute a Bond Regulatory Agreement (the "Regulatory Agreement"), as a condition to the Committee's making an allocation, which will be recorded against the property for which the allocation is used, and will reflect all commitments outlined in exhibit A of the Committee's resolution. For projects submitted to CDLAC after December 31, 2016, the Regulatory Agreement shall terminate prior to the end of the CDLAC Resolution affordability term only in the event of (i) involuntary noncompliance with the provisions of the Regulatory Agreement caused by fire or other casualty, seizure, requisition, change in a federal law or an action of a federal agency after the bond issuance which prevents the Issuer, Fiscal Agent and/or the Trustee (as applicable) from enforcing such provisions, or (ii) foreclosure, exercise of power of sale, and/or transfer of title by deed in lieu of foreclosure in connection with a deed of trust directly or indirectly securing the repayment of Standard Permanent Bonds, or repayment of a non-Bond related obligation that provides permanent project financing and meets the requirements of section 5193 or condemnation or a similar event, but only if, in the case of the events described in either clause (i) or (ii) above, the bonds are redeemed within a reasonable period or the proceeds for the event are used to provide a project that meets the requirement of the Regulatory Agreement.

(b) If Cash Flow Permanent Bonds finance project costs in projects submitted to CDLAC after December 31, 2016, all units identified in the CDLAC resolution, including both the Federally Bond-Restricted Units and the Other Restricted Units, will be incorporated into the Bond Regulatory Agreement. Assumptions to be included in the Bond Regulatory Agreement regarding the Other Restricted Units will include the AMI as outlined in the CDLAC



## California Debt Limit Allocation Committee Regulations

resolution, a limitation that tenants pay no more than 30% of their income, and 1.5 person per bedroom occupancy standard to determine the applicable rent.

(c) For projects receiving allocation after December 31, 2016, The Bond Regulatory Agreement will:

- (1) Incorporate the CDLAC resolution by reference and as an attachment;
- (2) Have a term consistent with the income and rental restrictions established in the Resolution. The Bond Regulatory Agreement shall terminate in 55 years (50 years for Projects located on Native American Lands) from the date 50% occupancy is achieved or the commencement of the CDLAC Qualified project period, whichever date is earlier;
- (3) Include all applicable income and affordability requirements outlined in 26 U.S.C. § 142, Cal. H&S Code § 34312.3 (c)(1) & (2), Cal. H&S Code § 51335(a), and Cal. H&S Code § 52080 (a)(1);
- (4) Clarify that compliance with items not contained within the body of the Bond Regulatory Agreement but referred to in the CDLAC resolution are the responsibility of the Sponsor to report to the Issuer;
- (5) Designate CDLAC to receive notice of changes in ownership, Issuer, project name and management company; and
- (6) Designate CDLAC to receive all notices regarding defaults associated with the rents and income requirements, Bond Default, Qualified Bond Default, and regulatory termination.

(d) Where a Project is receiving renewable project-based rental assistance or operating subsidy:

- (1) the Sponsor shall in good faith apply for and accept all available renewals; and
- (2) if the project-based rental assistance or operating subsidy is terminated through no fault of the owner, the property owner shall immediately notify CDLAC in writing and shall make every effort to find alternative subsidies or financing structures that would maintain the deeper income targeting contained in the CDLAC resolution. Upon documenting to CDLAC's satisfaction unsuccessful efforts to identify and obtain alternative resources, the owner may increase rents and income targeting for rent restricted units above the levels allowed by the CDLAC resolution up to the federally and state-permitted maximums. Rents shall be raised only to the extent required for financial feasibility, as determined by CDLAC. Where possible, remedies shall include skewing rents higher on portions of the project in order to preserve affordability for units regulated by CDLAC at extremely low income targeting. Any necessary rent increases shall be phased in as gradually as possible, consistent with maintaining the project's financial feasibility. If housing special needs populations, the property owner shall attempt to minimize disruption to existing households, and transition to non-special needs households only as necessary and upon vacancy whenever possible.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5221. Disqualification. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 8. Evaluation Criteria

### § 5230. Evaluation Criteria.

(a) The following criteria will be used to evaluate and rank all Qualified Residential Rental Project applications. Each of the items in this section shall be memorialized in the Committee Resolution.

(b) Preservation and Other Rehabilitation Project Priorities (20 points maximum).

(1) Preservation Projects meeting the following criteria shall receive points in the highest scoring category only:

(A) A project that meets at least one of the following shall receive 20 points:

(i) An At-Risk Project.

(ii) A project in which lower-income rent and income restrictions on at least 50 percent of the total units pursuant to a regulatory agreement with a public entity shall terminate or be eligible for termination within five years of application with no other rent and income restrictions remaining.

(iii) A replacement or rehabilitation project approved by HUD pursuant to a Section 18 or 22 Demolition/Disposition authorization.

(iv) A component one project being rehabilitated under the HUD Rental Assistance Demonstration (RAD) Program.

(B) A project that meets at least one of the following shall receive 14 points:

(i) A component two project being rehabilitated under the HUD Rental Assistance Demonstration (RAD) Program; or

(ii) A project with a pre-1999 HCD loan that is being restructured pursuant to Health and Safety Code section 50560 (AB 1699) that has not previously received an allocation of Low-Income Housing Tax Credits.

(C) A project with a pre-1999 HCD loan that is being restructured pursuant to Health and Safety Code section 50560 (AB 1699) that has previously received an allocation of Low-Income Housing Tax Credits shall receive 6 points.

(2) Other Rehabilitation Projects meeting all of the following criteria shall receive 20 points:

(A) The project does not result in a distribution of net project equity, as that term is defined in Section 10302(gg) of the CTCAC Regulations, to a general partner or a related party to the general partner. For purposes of this subparagraph, there may be a buyout of a limited partner or equity distributed to a third party seller;

(B) There is no partial or full repayment of existing soft financing; and

(C) The application's developer fee limit pursuant to Section 10327(c)(2) of the CTCAC Regulations is further limited to a cash-out developer fee no greater than 80% of the CTCAC cash-out developer fee limit.



## California Debt Limit Allocation Committee Regulations

(c) New Construction Density and Local Incentives (10 points maximum); Preservation Projects and Other Rehabilitation Projects are not eligible for these points). A New Construction Project that meets any of the following shall receive 10 points:

(1) The local jurisdiction has approved the project pursuant to Section 65913.4 of the Government Code; or at a density greater than that allowed by the site's zoning through the use of a density bonus allowed by Government Code Section 65915; or pursuant to a local ordinance; or with concessions and/or waivers granted pursuant to Government Code Section 65915;

(2) The project is being developed at a per net acre density that meets one of the following criteria:

(A) 100 bedrooms per net acre in a metropolitan county;

(B) 60 bedrooms per net acre in a suburban jurisdiction;

(C) 40 bedrooms per net acre in all other areas.

*[For the purposes of subdivision (c)(2), "net acre" is defined as the acreage within the parcel boundaries after subtracting any area affected by the dedication of public right-of-way, the presence of restrictive easements, and non-buildable areas. "Metropolitan county" and "suburban jurisdiction" shall have the same meanings as in Section 65583.2 of the Government Code. Projects with land-use approvals obtained prior to January 1, 2022, shall earn full points in this category.]*

(3) The project is located in a city or unincorporated portion of a county for which HCD has designated the city or county, respectively, as pro-housing pursuant to Section 65589.9(c) of the Government Code.

(d) Exceeding Minimum Income Restrictions (20 points maximum). A project shall receive points in either of the following manners:

(1) 2 points for each full percent that the average affordability of tax credit units is less than 60% of area median income subject to the Gross Rent definition; or

(2) 20 points if the average affordability of tax credit units is less than or equal to 60% of area median income, provided that at least 10% of tax credit units are restricted at or below 30% of area median income and an additional 10% of tax credit units are restricted at or below 50% of area median income, subject to the Gross Rent definition.

(e) Exceeding Minimum Rent Restrictions (10 points maximum). A project shall receive one point for each full percent that the average affordability of tax credit units is more than ten percent (10%) below the average adjusted rental rates of comparable units as demonstrated by each applicable Rent Comparability Matrix. This percentage shall be calculated separately for units of each bedroom count, with the results for each unit type weighted relative to the percentage of tax credit units of that type in the project, and the resulting percentage shall be used to determine the final point score. In cases where unit sizes of the same unit type vary, the smallest of these units shall be the basis for comparison. When family comparables are used in addition to senior comparables (outside the 1-mile radius), points will be calculated using the family comparables.

(f) General Partner and Management Company Experience (10 points maximum).

(1) A project shall receive general partner experience points in one of the following manners:

(A) The number of general partner experience points for which it is eligible pursuant to Section 10325(c)(1)(A) of the CTCAC regulations.



## California Debt Limit Allocation Committee Regulations

(B) 7 points if the project is a joint venture between an entity that receives maximum general experience points pursuant to Section 10325(c)(1)(A) of the CTCAC regulations and a BIPOC Entity, provided that the partnership agreement ~~(i) allocates a share of the at least 51% of the developer fee, cash flow, and net sale proceeds to the BIPOC Entity that is equal to or greater than the share to the entity with maximum general experience points and~~ (ii) provides the BIPOC Entity an option to purchase the development.

(C) 7 points if the sole sponsor is a BIPOC Entity that

(i) is a general partner in at least one California Low-Income Housing Tax Credit development that has received a certificate of occupancy, or if a rehabilitation project, completed rehabilitation, within five-ten years of the date of application,

(ii) submits the certification from a third-party certified public accountant referred to in Section 10325(c)(1)(A)(i) of the CTCAC regulations for that development, and

(iii) completes training as prescribed by CTCAC prior to a project's placing in service.

(2) A project shall receive management company experience points in one of the following manners:

(A) The number of management company points for which it is eligible pursuant to Section 10325(c)(1)(B) of the CTCAC regulations.

(B) 3 points if the management company will be the BIPOC Entity for which the project receives general partner experience points pursuant to paragraph (1)(C).

(g) Housing Types (10 points maximum; Preservation Projects and Other Rehabilitation Projects not eligible for these points). A New Construction Project that meets any of the following criteria shall receive 10 points:

(1) The project meets the criteria for any of the housing types described in Section 10325(g) of the CTCAC regulations. Points will be awarded only in one housing type.

(2) The project meets the requirements of subdivision (c) of this section or is a New Construction Project that obtained all land use approvals prior to January 1, 2022.

(h) Leveraged Soft Resources (8 points maximum). A project shall receive 1 point for each full percent that leveraged soft resources defraying residential costs represent as a percentage of total residential project development costs, except that a New Construction Project that receives points as a Large Family project or Special Needs project pursuant to the conditions specified in Section 5230(j)(1)(A) and is located in a High or Highest Resource Area as specified on the CTCAC/HCD Opportunity Area Map shall receive 2 points for each full percent of leveraged soft resources. For purposes of this subdivision, leveraged soft resources shall have the same meaning as in Section 10325(c)(9) of the CTCAC regulations.

(i) Readiness to Proceed (10 points maximum). A project shall receive the number of points for which it is eligible pursuant to Section 10325(c)(7) of the CTCAC regulations, except that the applicant shall demonstrate that construction can commence within 180 days of the bond allocation. Projects that receive the maximum number of points pursuant to this subdivision shall have a readiness deadline that aligns with the allocation expiration assigned pursuant to Section 5100(b)(3)(i), and submit within that time period evidence of the issuance of building permits or the applicable tribal documents, and notice to proceed delivered to the contractor. Failure to meet the assigned due date shall result in rescission of the bond allocation. In addition, negative points may be assessed at the discretion of the Committee pursuant to subdivision (n).

(1) For purposes of submitting evidence of the issuance of a building permit:



## California Debt Limit Allocation Committee Regulations

(A) A grading permit shall not suffice to meet the building permit requirement except that if the city or county as a rule does not issue building permits prior to the completion of grading, then a grading permit shall suffice.

(B) If the project is a design-build project in which the city or county does not issue building permits until designs are fully complete, then the city or county shall have approved construction to begin.

(j) Affirmatively Furthering Fair Housing (10 points maximum).

(1) A New Construction project shall receive points in only one of the following manners:

(A)(i) Except as provided in (ii) below, 10 points if the project receives points as a Large Family project or Special Needs project pursuant to subdivision (g) (except the Special Needs project shall have at least 50% of its units set aside as permanent supportive housing), is located in a High or Highest Resource Area as specified on the CTCAC/HCD Opportunity Area Map, and at least 10% of tax credit units shall be restricted at or below 30% of area median income and an additional 10% of tax credits units shall be restricted at or below 50% of area median income (except Special Needs projects shall be exempt from this 50% AMI requirement).

(ii) Using the sort order described in Section 5231, after projects receiving 10 points pursuant to this subdivision have been recommended for allocations that meet or exceed the following 50% threshold, all remaining projects in each pool or ~~set-aside~~ set aside shall receive 9 points for meeting the requirements of this subdivision. For the purpose of awarding points per round, (excluding an established waiting list), pursuant to this subdivision, 10 points shall be awarded until approximately 50% of the amount available to a pool or ~~set-aside~~ set aside has been allocated. Subsequently, all remaining projects in each pool or ~~set-aside~~ set aside shall receive 9 points for meeting the requirements of this subdivision.

(B) 9 points if the project does not receive points pursuant to subdivisions (j)(1)(A). With respect to New Construction Projects, at least 10% of tax credit units shall be restricted at or below 30% of area median income and an additional 10% of tax credits units shall be restricted at or below 50% of area median income.

(2) For purposes of subdivisions (A), a project located in a resource area designated on the CTCAC/HCD Opportunity Area Map as "Missing/Insufficient Data" shall be considered to have the designation of the adjacent resource area that shares the longest common boundary with the resource area in which the project is located.

(k) Service Amenities (10 points maximum). A project shall receive the number of points for which it is eligible pursuant to Section 10325(c)(4)(B) of the CTCAC regulations, except that projects not meeting one of the housing types specified in Section 10325(g) of the CTCAC regulations shall be able to choose the services provided without regard to the housing type conditions within the service amenity categories.

(l) Cost Containment (12 points maximum). A project shall receive 1 point for each full percent that the project's eligible basis is less than the project's CDLAC adjusted threshold basis limit, except that a New Construction Project that receives points as a Large Family project or Special Needs project pursuant to the conditions specified in Section 5230(j)(1)(A) and is located in a High or Highest Resource Area as specified on the CTCAC/HCD Opportunity Area Map shall receive 2 points for each full percent that the project's eligible basis is less than the project's CDLAC adjusted threshold basis limit. For purposes of this subdivision, a project's CDLAC adjusted threshold basis limit shall be the project's threshold basis limit as determined pursuant to Section 10327(c)(5) of the CTCAC regulations, except that the increase for deeper targeting pursuant to Section 10327(c)(5)(C) of the CTCAC regulations shall be limited to 80%.



## California Debt Limit Allocation Committee Regulations

(m) Site amenities (10 points maximum). A project shall receive up to 10 site amenity points for which it is eligible pursuant to Section 10325(c)(4)(A) of the CTCAC regulations, except that a maximum of three points shall be available to any project that meets the Resource Area criteria of Section 10325(c)(4)(A)11.

(n) Negative Points (no maximum).

(1) The Committee may deduct points for an Application involving a Project Sponsor that has been or is a Related Party to a Project Sponsor (i.e. in the ownership structure) for which an Allocation has been awarded as follows:

(A) Ten (10) points may be deducted for each failure to fully utilize the leveraged soft resources for which points were awarded in connection with the prior Allocation, unless it can be demonstrated that the failure was unforeseen and entirely outside of the Project Sponsor's control or the amount not utilized is not material, or is the result of voluntarily returning leveraged soft resources due to the project being over-sourced, or if a change in federal or state law provides additional financial resources that result in a reduction in leveraged soft resources. This deduction may be assessed against the Project Sponsor for a period of up to two (2) calendar years (10 points each year) from the date on which the prior Allocation was awarded.

(B) Ten (10) points may be deducted for each failure to issue Bonds or utilize 90% or more of a Supplemental Allocation, unless it can be demonstrated that the failure was unforeseen and entirely outside of the Project Sponsor's control. This deduction may be assessed against the Project Sponsor for a period of up to two (2) succeeding years (10 points each year) following the year the Allocation was awarded.

(C) Ten (10) points may be deducted for each failure to spend the proceeds of Bonds issued pursuant to an Allocation in full, or in accordance with the terms and conditions of the Committee Resolution, unless it can be demonstrated that the failure was unforeseen and entirely outside of the Project Sponsor's control, the amount not spent is not material or is consistent with the requirements of Section 5052(b), or the deviation from the terms and conditions of the Committee Resolution is not material. This deduction may be assessed against the Project Sponsor for a period of up to three (3) calendar years (10 points each year) from the date of determination of failure to spend proceeds.

(D) Ten (10) points may be deducted for failure to comply with any provision of the Committee Resolution, unless it can be demonstrated that the failure was unforeseen and entirely outside of the Project Sponsor's control. This deduction may be assessed for a period of up to three (3) calendar years (10 points each year) from the date of determination of non-compliance with the Committee Resolution.

(2) Where CTCAC has determined an Application for tax credits involving a Project Sponsor that has been or is a Related Party to a Project Sponsor who is subject to negative points under its regulations, CDLAC will deduct an equal amount of points for an equal period of time from tax exempt bond applications involving the Project Sponsor or a Related Party to the Project Sponsor.

(3) Where CTCAC has determined an Applicant for tax credits involving a Project Sponsor that has been a Related Party to a Project sponsor who is subject to any type of determination of ineligibility, CDLAC will recognize the length of ineligibility and apply it to the tax exempt bond applications involving the Project Sponsor or Related Party to the Project Sponsor.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*





# California Debt Limit Allocation Committee Regulations

## § 5231. Ranking.

After all Applications for Qualified Residential Rental Projects are evaluated pursuant to Section 5230, the Applications shall be ranked and may be awarded an Allocation as follows, except that a project shall not receive a bond allocation if it had requested and is not scheduled to receive an award of State Tax Credits:

(a) Applications for Rural Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for Rural Projects awarded the greatest number of points after factoring in the ~~tie-breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the Rural Pool. Applications for Rural Projects not receiving an Allocation will not be eligible for consideration for an Allocation under subdivisions (b), (c) or (e) of this section.

(b) Applications for Preservation Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for Preservation Projects awarded the greatest number of points after factoring in the tiebreaker pursuant to 5231(g) as applicable shall be awarded an Allocation from the Preservation Project Pool. Applications for Preservation Projects not receiving an Allocation pursuant to this subdivision will not be eligible for consideration for an Allocation under subdivision (a), (c) or (e) of this section.

(c) Applications for Other Rehabilitation Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for Other Rehabilitation Projects awarded the greatest number of points after factoring in the ~~tie-breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the Other Rehabilitation Pool. Applications for Other Rehabilitation Projects not receiving an Allocation pursuant to this subdivision will not be eligible for consideration for an Allocation under subdivisions (a), (b) or (e) of this section.

(d) Applications for BIPOC Projects will be ranked amongst themselves, and separately from Applications for all other Qualified Residential Rental Projects. Applications for BIPOC Projects awarded the greatest number of points after factoring in the ~~tie-breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the BIPOC Pool. Applications for BIPOC Projects not receiving an Allocation pursuant to this subdivision shall be eligible for consideration for an Allocation under subdivisions (a), (b), (c), and (e) of this section. The number of awards received by individuals, entities, affiliates, and related entities in the BIPOC Pool is limited to no more than one (1) per competitive round and two (2) per year unless the pool is undersubscribed. This limitation is applicable to project applicants, developers, sponsors, owners, general partners, and to parent companies, principals of entities, and family members.

(e) Applications for Qualified Residential Rental Projects that are New Construction Projects, exclusive of Rural Projects, will then be ranked together. Applications receiving the greatest number of points after factoring in the ~~tie-breaker~~ tiebreaker pursuant to Section 5231(g), as applicable, shall be awarded an Allocation from the New Construction Pool in the following manner.

(1)(A) Set Aside application selection. Beginning with the top ranked application from the Homeless Set Aside, subject to the conditions in Section 5231(e)(1)(B), followed by the Extremely Low/Very Low Income Set Aside, and the Mixed Income Set Aside, the highest scoring applications in each Set Aside shall be awarded an Allocation pursuant to the procedures in Section 5231(f). A project that meets the criteria of both the Homeless Set Aside and the Extremely Low/Very Low Income Set Aside shall be eligible for an allocation from either Set Aside. If the Homeless Set Aside is undersubscribed in a competitive round the remaining funds will transfer to the Extremely/Very Low Income Set Aside. All New Construction Projects, exclusive of Rural Projects, that do not receive an allocation from a Set Aside shall be eligible for an allocation from their respective geographic region pursuant to subdivision (e)(2).

(B) For purposes of the Homeless Set Aside only, applications for projects in which at least 45% of the tax credit units are designated for homeless households as defined in Section 10315(b)(1)-(4) of the CTCAC regulations at affordable rents consistent with Section 10325(g)(3) of the CTCAC regulations shall be awarded an Allocation prior to any other application eligible for the Homeless Set Aside provided that those



## California Debt Limit Allocation Committee Regulations

projects earn at least 95% (rounded down to the nearest whole number) of the maximum available points pursuant to Section 5230.

(2) Geographic region application selection. Bonds available in the New Construction Pool that are not reserved to a Set Aside shall be allocated to the highest ranking applications according to the geographic allocation described in Section 5022. Projects receiving an allocation in the Rural, Preservation, Other Rehabilitation, or BIPOC Pools or in the Homeless, Extremely Low/Very Low Income, and Mixed Income Set Asides shall not be counted towards the geographic apportionments.

(3) In the final allocation round of the year, any bonds remaining in any QRRP pool, Set Aside, or geographic region shall be allocated to the highest-ranking ~~New Construction~~ Project or Projects. Those amounts shall not be added to the respective QRRP pool, Set Aside, or geographic region in the following year, and any allocations pursuant to this paragraph shall not be subtracted from the geographic allocations in the following year.

~~(4) At the last allocation meeting of the year, the Committee shall establish a waiting list of new Construction Projects that have not received an allocation in the final allocation round, ordered from highest to lowest ranking.~~

(f) If the last project allocation in a Pool, Set Aside, or geographic region requires more than the bonds remaining in that Pool, Set Aside, or geographic region, those overages shall be subtracted from that Pool, Set Aside, or geographic region in determining the amount available in the Pool, Set Aside, or geographic region for the subsequent allocation round. The last project to be allocated in a Pool, Set Aside, or geographic region shall not receive an Allocation unless at least 80%, or 100% in the final round of the year, of the requested Allocation for that project is remaining in that Pool, Set Aside, or geographic region for that round. When the first or next highest-ranking project does not meet the 80% or 100% rule above, that project, as well as any subsequent projects in rank order that also do not meet the 80% or 100% rule, may be skipped over to the next highest-ranking project that meets the 80% or 100% rule. However, a project shall not be funded by this skipping process unless it has a point score within one point of the first project skipped and has a final tiebreaker score equal to at least 75% of the first skipped project's final tiebreaker score. If bonds within a Pool, Set Aside, or geographic region remain unallocated at the end of an allocation round, they shall be added to the subsequent round amounts in the same Pool, Set Aside, or geographic region. In the final allocation round of the year, the allocations within a Pool, Set Aside, or geographic region shall not exceed the amount of bonds available in the Pool, Set Aside, or geographic region.

(g) If two or more Applications are awarded the same total number of points, those Applications shall be ranked according to the highest amount of public benefit per dollar of cost-adjusted Bond and State Credit Allocation requested.

(1) A project's public benefit is the sum of all of the following:

(A) The project's unit production benefit, which is the product of the bedroom-adjusted number of tax credit units multiplied by \$50,000. To calculate a project's bedroom-adjusted number of tax credit units, the Committee shall first multiply the number of tax credit units of each bedroom count by the adjustment factor for units of that bedroom count. A project's bedroom-adjusted number of tax credit units shall be the sum of each of these products. The adjustment factors shall be .9 for a studio unit, 1 for a 1-bedroom unit, 1.25 for a 2-bedroom unit, 1.5 for a 3-bedroom unit (up to no more than 30% of the total units, then those additional units shall be counted as 2-bedroom units), and 1.75 for a 4-bedroom or larger unit (up to no more than 10% of the total units, then those additional units shall be counted as 2-bedroom units).

(B) The project's rent savings benefit, which is the product of the sum across all tax credit units of each unit's difference between the monthly fair market rent established by HUD for the county in which the project is located and the area median income monthly gross rent limit for that unit at the targeted rent level for the appropriate bedroom size, all calculated according to the methodology



## California Debt Limit Allocation Committee Regulations

for tax credit rents, multiplied by 180. If this calculation results in a negative number for any particular unit, then the rent savings benefit for that unit shall not be lower than zero. Units with federal project-based rental assistance shall be assigned targeted rent levels of 30% AMI regardless of their actual income targeting. If the average affordability of tax credit units, exclusive of units with rental assistance, is less than 40% AMI, then the calculation shall assume a targeted rent level of 40% AMI for each tax credit unit that does not have rental assistance.

(C) The project's population benefit, which is comprised of an ELI benefit and a special populations benefit.

1. The ELI benefit is the product of the number of tax credit units targeted at 30% of AMI or below, limited to no more than 50% of tax credit units, multiplied by \$20,000.
2. The special populations benefit is the product of the number of tax credit units restricted to persons with Special Needs, as defined in Section 10325(g)(3) of the CTCAC regulations, or veterans, limited to no more than 50% of tax credit units, multiplied by \$10,000.

(D) The project's location benefit, which is comprised of a Resource Area benefit, a Community Revitalization Area benefit, and a transit/walkability benefit. If a project is eligible for both a Resource Area benefit and a Community Revitalization Area benefit, the applicant shall select only one of these benefits. The Resource Area benefit and Community Revitalization Area benefits shall not be additive.

1. The Resource Area benefit is one of the following:

- (i) The product of the bedroom-adjusted number of tax credit units in a Large Family or Permanent Supportive Housing Project located in a Highest Resource Area as specified on the CTCAC/HCD Opportunity Area Map multiplied by \$30,000.
- (ii) The product of the bedroom-adjusted number of tax credit units in a Large Family or Permanent Supportive Housing Project located in a High Resource Area as specified on the CTCAC/HCD Opportunity Area Map multiplied by \$20,000.
- (iii) The product of the bedroom-adjusted number of tax credit units in a Large Family or Permanent Supportive Housing Project located in a Moderate Resource Area as specified on the CTCAC/HCD Opportunity Area Map multiplied by \$10,000. An applicant may choose to utilize the census tract or census block group resource designation from the CTCAC/HCD Opportunity Maps in effect when the initial site control was obtained up to seven calendar years prior to the application.

2. The Community Revitalization benefit is the product of the bedroom-adjusted number of tax credit units that are located in a Community Revitalization Area and are a component in the Area's Community Revitalization Plan multiplied by \$20,000.

- (i) A project is ineligible for this benefit if it receives a Resource Area benefit.
- (ii) A project is ineligible for this benefit if it receives a Community Revitalization Area benefit.

3. The transit/walkability benefit is the sum of the following:



## California Debt Limit Allocation Committee Regulations

(i) The product of the bedroom-adjusted number of tax credit units within the project, multiplied by the number of transit site amenity points the project receives pursuant to Section 5230(m), multiplied by \$4,000;

(ii) The product of the bedroom-adjusted number of tax credit units within the project, multiplied by the number of non-transit site amenity point categories for which the project is eligible for the maximum points pursuant to Section 5230(m) (see CTCAC regulation Section 10325(c)(4)(A)2. through 9.), multiplied by \$4,000. For purposes of this subdivision, the site amenity distances shall be measured by a walkable path;

(iii) The product of the bedroom-adjusted number of tax credit units included with a project that has received an award from HCD's Transit Oriented Development Program or Affordable Housing and Sustainable Communities Program, or that is located within  $\frac{1}{4}$  mile of a transit stop with service at least every 30 minutes during peak hours (or at least two departures during each peak period for a commuter rail station or ferry terminal) or within  $\frac{1}{2}$  mile of a transit stop with service at least every 15 minutes (or at least four departures during each peak period for a commuter rail station or ferry terminal) multiplied by \$25,000. For purposes of this subdivision, a "transit stop" is a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop, and "peak hours" are from 7:00 a.m. to 9:00 a.m. and from 4:00 p.m. to 6:00 p.m., Monday through Friday.

(2) The cost-adjusted Bond and State Credit Allocation shall be calculated by reducing the unadjusted Bond and State Credit Allocation request by the following, as applicable:

(A) 15% for projects that are paid for in whole or in part out of public funds and are subject to a legal requirement for the payment of state or federal prevailing wages on the entire project.

(B) Either 10% for projects in which at least 95% of the construction is Type I, as defined in Title 24, Section 602.2 of the California Building Code; or 5% for projects in which at least 95% of the construction is Type III, as defined in Title 24, Section 602.3 of the California Building Code, or a combination of Type I and Type III.

(C) 25% of the statewide basis delta for the county in which the project is located. At least 10 days prior to the first application deadline of each calendar year, the Committee shall publish the statewide basis delta for each county, which shall represent the percentage difference between the two-bedroom 4% tax credit threshold basis limit for the county and the median two-bedroom 4% tax credit threshold basis limit for any county in the state, as those limits are determined by CTCAC pursuant to Section 10302(rr) of the CTCAC regulations.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5232. Competitive Application Process Maximum Allocation Amount.

(a) For projects subject to the Competitive Application Process, the Committee will allocate no more than seventy-five million dollars (\$75,000,000) for any proposed Qualified Residential Rental Project. Where a proposed Qualified Residential Rental Project is located within one-fourth ( $\frac{1}{4}$ ) mile of another Qualified Residential Rental Project involving the same Project Sponsor or a Related Party to the Project Sponsor, the Allocation amounts for the Qualified Residential Rental Projects cannot, in the aggregate, exceed seventy-five million dollars (\$75,000,000) within a calendar year.



# California Debt Limit Allocation Committee Regulations

(b) The Committee may waive this maximum allocation amount if the Committee determines that the demand for allocation for Qualified Residential Rental Projects is such that the maximum allocation amount is not warranted. An Applicant requesting an Allocation in excess of seventy-five million dollars (\$75,000,000) may seek a waiver from the Committee based on the following factors:

- (1) The Qualified Residential Rental Project qualifies as a At-Risk Project; or
- (2) Documentation is provided in the Application indicating why a Qualified Residential Rental Project cannot be developed in phases at a seventy-five-million-dollar (\$75,000,000) level. The documentation must be specific and may include, but is not limited to, a site plan detailing the layout of the subject property, unit mix per stage of the phase, any unique features of the property which inhibits phasing, a description of infrastructure costs, and a cost breakdown by phases.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5233. Allocation Limits.

(a) Limit CDLAC bond allocation on all units on a per-unit basis (~~adjusted by the number of bedrooms~~) in the QRRP Pools as follows:

Studio and SRO:	\$522,000
One-bedroom:	\$544,000
Two-bedroom:	\$580,000
Three-bedroom:	\$638,000
Four- or more bedroom:	\$671,000

(b) Private Activity Bond allocation awards cannot exceed 55% of the aggregated depreciable basis plus land basis. In determining compliance with this test, CDLAC staff may rely on the legal or tax opinion submitted with the application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 9. Supplemental Allocation

### § 5240. Supplemental Allocation Process.

(a) Requests for Supplemental Allocations may be submitted throughout the year. Except as provided in subdivision (b), staff shall review each request for Supplemental Allocation and make a recommendation to the Committee regarding any possible award of additional Allocation. Awards of Supplemental Allocations pursuant to this subdivision shall be memorialized in a Committee Resolution. All applicable requirements imposed on the associated initial project Allocation, including, but not limited to, the expiration of Allocation, Bond issuance deadlines, extensions, transfers of Allocation, carryforward elections and reporting shall be equally applicable to Supplemental Allocations.



# California Debt Limit Allocation Committee Regulations

(b) The Committee may delegate authority to the Executive Director to award Supplemental Allocation to projects where the total delegated supplemental requests are both of the following:

(1) No more than 10% of the project's Committee approved allocation; and

(2) No more than 52% of the aggregate depreciable basis plus land basis.

(c) For projects awarded Supplemental Allocation where the original allocation was awarded in Round 2 of 2022 or later, no increase in the developer fee shall be permitted in association with the increase in costs related to the project, and the Project Sponsor shall be subject to reduction in its tiebreaker calculation determined by the Committee for a period of one round following the award of Supplemental Allocation.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5241. Realignment of Expiration Dates.

Projects awarded a Supplemental Allocation for which no Bonds were issued from the original award, or any prior Supplemental Allocation, shall have the expiration date of the most recent original award allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 10. Scattered Site Applications

### § 5250. Application Requirements.

(a) Applications for Scattered Site Projects shall provide all information required for each site. Additional stipulations are as follows:

(1) For acquisition and rehabilitation projects, a Capital Needs Assessment report may combine information for all Project sites in one report.

(2) For new construction projects and acquisition/rehabilitation projects, a Market Study may combine information for all Project sites in one report; however, the Market Study shall have separate Rent Comparability Matrices for each site.

(3) Acquisition/Rehabilitation Projects where each location is subject to an existing Residential Rental Regulatory Agreement or a federal, state, or local operating or rental assistance agreement may provide, as an alternative to providing a market study and affordability matrices consistent with Sections 5200(a) and 5250(a)(3), a comprehensive market study consistent with 26 U.S.C. Section 42(m)(1)(A)(iii). The study must be a written statement certified by a third party market analyst and the project must meet at least one of the following requirements:

(A) as certified by a third-party market analyst, the proposed tenant paid rents and income targeting will not exceed one hundred-five percent (105%) of the current rents and targeting and a vacancy rate of no more than five percent (5%); for single room occupancy and special needs housing a vacancy rate of no more than ten percent (10%); or



## California Debt Limit Allocation Committee Regulations

(B) as evidenced by copies of executed contracts, the project has been receiving federal, state, or local operating or rental assistance and will continue to receive such assistance for at least five (5) additional years. If a contract demonstrating operating or rental assistance for an additional five (5) years is not available, a letter signed by the contractor's senior official may be submitted that describes the efforts undertaken to effectuate an operating or rental assistance contract, the expected duration of the contract, and the expected contract execution date.

(4) Evidence of site control shall be required for each site.

(5) Any maps provided shall include each site.

(b) An Applicant may seek a waiver of the Scattered Site five (5) location limit. A written request describing how the project will benefit from waiver of the location limit must be submitted no later than the application due date for the allocation round in which the Project is seeking an allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5251. Evaluation Criteria.

Each site within an Application for a Scattered Site shall be evaluated individually for points as provided in section 5230. The total points awarded to a Project in any category shall be based on the pro-rata share of total units each site represents. For instance, if only one site meets the threshold for an award of 5 points and the site represents 40% of total units, the Project shall be awarded two (2) points for this category (40% x 5 points).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 11. Application Process for Projects Assisted by the U.S. Department of Housing and Urban Development

### § 5255. Application Requirements.

(a) A CDLAC Forward Commitment letter may be granted in lieu of an award of allocation until the Applicant receives the HUD Firm Commitment letter for the Project. A complete Open Qualified Residential Rental Pool Application may be submitted when the Project meets the following requirements:

- (1) Applications must meet the requirements of a Qualified Residential Rental Project, as described in Chapter 2.
- (2) Applications may be submitted at any time with an expected staff review period of at least thirty (30) days.
- (3) The Applicant must disclose upon application that the Project is a FHA financed development.
- (4) In lieu of a HUD Firm Commitment letter, a MAP Lender commitment letter outlining the FHA financing must accompany the Application.



## California Debt Limit Allocation Committee Regulations

(5) All awards of allocation following a CDLAC Forward Commitment must occur prior to the last day of the calendar year.

(6) Proof of HUD Firm Commitment Application Submittal will be due within thirty (30) days of CDLAC Forward Commitment Approval.

(b) The Committee shall make an award of allocation for a new Application if the following is submitted no later than the application due date for the allocation round in which the project is seeking an allocation:

- (1) a complete Standard QRRP Application and application fee;
- (2) a MAP Lender commitment letter outlining the FHA financing; and
- (3) a HUD Development Acknowledgement Letter.

(c) All projects requesting an assignment and assumption of an existing HAP Agreement must have submitted their assignment and assumption application to HUD by the CDLAC application date.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5256. Evaluation Criteria.

(a) Applications will be reviewed according to the Multi-Family Housing criteria, as referenced in Chapter 2, Article 8, Section 5230.

(b) Applications meeting the requirements of Chapter 2, Article 8, Section 5230 will be provided a Forward Commitment in lieu of an award of allocation.

(c) Upon receipt of a HUD Firm Commitment letter, CDLAC will present an allocation recommendation to the Committee for formal approval. The CDLAC closing timeframe will commence once the Committee grants the allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 12. Expiring Projects in Difficult Development Areas

### § 5258. Eligibility Retention.

(a) To confirm that a Qualified Residential Rental Project (QRRP) application is complete in order to retain a project's current year Difficult Development Area/Qualified Census Tract (DDA/QCT) status, an Applicant must submit the following items to CDLAC no later than 16 days prior to the expiration date of the project's DDA status:

- (1) the project's completed Qualified Residential Rental Project application; and





## California Debt Limit Allocation Committee Regulations

(2) a written statement identifying the CDLAC allocation round in which the Applicant intends to seek an allocation, pursuant to a CDLAC generated list of eligible allocation rounds for projects in expiring DDA/QCT areas; and

(3) a written request that CDLAC confirm the Application is complete.

(b) Upon determining that the application is complete, CDLAC will, prior to the expiration of the project's DDA status, provide the Applicant with a letter stating that the application is complete.

(c) The letter described in subsection (b) shall be void and of no effect unless the bond issuances for the project occur within the federally mandated timeframe for bond issuances applicable to projects with expiring DDA statuses.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### Article 13. Qualified Residential Rental Project Allocation Request Process for December 2017 [Repealed]

#### § 5259. Allocation Request Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 3. Single Family Housing

### Article 1. Definitions

#### § 5260. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“Applicable Median Family Income” means the applicable median family income defined by 26 U.S.C. section 143(f)(4), except that the definition of income contained in subdivision B of 26 U.S.C. section 143(f)(4) shall not apply to Applicants for a Single Family Housing Program.

“Fair Share Allocation Amount” means the amount of Allocation each Local Issuer shall receive pursuant to the Fair Share Basis definition.

“Fair Share Basis” means that each county shall receive a proportionate share of the amount reserved for Local Issuers based on the population of the county relative to the State's total population. Populations will be based on data published by the California State Department of Finance Demographics Unit. Where there is more than one Local Issuer in a county, each Local Issuer shall receive a proportionate share of the county's reservation based on the population of the jurisdictions served by an Issuer relative to the county's total population, or as agreed upon by the participating Local Issuers.

“Homeownership Assistance” means financial assistance, including down-payment assistance, closing cost assistance, soft-second financing for the purchase of a home, or such alternative homeownership assistance as proposed by the Applicant in the Application and approved by the Committee. The Homeownership Assistance must; one, be in a minimum amount of \$7,500 or 3% of the purchase price of the home, whichever is greater; two, be structured in the form of either a grant or a deferred payment loan where the payment of principal and interest is deferred until such time as the home is sold or re-financed; and three, include an incentive, to be proposed by the Applicant, for Program Participants to fully perform the three (3) year service commitment. Applicants will not be required to establish a distinct and separate homeownership program; existing programs may be used. The Committee may delegate to the Chair or to the Executive Director of the Committee the authority to accept and consider homeownership assistance of different types or characteristics than those specifically enumerated or required by this definition. The Committee may establish, or concur with the establishment of, higher assistance limits to ensure program participation in high cost areas.

“MCC Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Mortgage Credit Certificate Program” (revised 03 15 2018), which is hereby incorporated by reference.

“MRB Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Single-Family Housing Bond Program” (revised 11 30 2018), which is hereby incorporated by reference.

“Performance Achievement Index” means the percentage of households that participated in a Single Family Housing Program having met the goals set forth in section 5266 expressed as a percentage of the minimum goal committed to by the Applicant. For example, if the number of households earning eighty percent (80%) or less of the Applicable Median family Income of the area consisted of only 38% of the participants in a program, then based on a committed goal of 40%, the Performance Achievement Index would equal 95% (38% divided by 40%).



# California Debt Limit Allocation Committee Regulations

“Qualified Census Tract” means any census tract that is designated by the Secretary of Housing and Urban Development pursuant to 26 U.S.C. section 42(d)(5)(C).

“VHLP Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Veteran’s Home Loan Program” (revised 03 15 2018), which is hereby incorporated by reference.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## Article 2. Eligibility Requirements

### § 5265. Application Process.

Applications for an Allocation of the Single Family Housing Program Pool shall be considered in accordance with the provisions of chapter 1 and the submission of an MRB Application, a VHLP Application or an MCC Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5266. Participation Goals.

An Applicant requesting an Allocation for a Single Family Housing Program must commit to the following goals:

(a) A minimum of forty percent (40%) of the participants in the Single Family Housing Program must be households:

- (1) Earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located; or
- (2) Located in a Qualified Census Tract. Applicants may use the high-cost area adjustment set forth in 26 U.S.C. section 143(f)(5) to meet this minimum requirement.

(b) An Applicant that is unable to meet the requirement outlined in subdivision (a) of this section, may request an exemption. However, in no case may less than thirty-five percent (35%) of the participants in the Single Family Housing Program be households:

- (1) Earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located; or
- (2) Located in a Qualified Census Tract. Applicants may use the high-cost area adjustment set forth in 26 U.S.C. section 143(f)(5) to meet this minimum requirement.

(c) To be considered for an exemption an Applicant must submit documentation of the programmatic or economic reasons why the requirement outlined in subdivision (a) of this section cannot be met.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5267. Consistency with Adopted Housing Elements.

(a) The proposed Single Family Housing Program must be consistent with the adopted housing element(s) for the jurisdiction(s) in which the program is to be operated. The California Department of Housing and Community Development must have determined the jurisdiction's adopted housing element to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. In addition, as required under Section 65400 of the Government Code, the jurisdiction must have submitted an annual progress report to the California Department of Housing and Community Development for the preceding 12-month calendar year.

(b) Applicants requesting Allocation to implement a new Mortgage Credit Certificate Program shall submit the following:

- (1) Copies of the publicly adopted documents required by section 5031(b); and
- (2) Copies of the program or operational manual.

(c) Applicants requesting Allocation for an existing Mortgage Credit Certificate Program shall submit the following:

- (1) A certification that the previously publicly adopted documents required in section 5031(b) are valid and remain in force; or
- (2) Provide copies of newly publicly adopted documents.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5268. Mortgage Revenue Bond Eligibility.

(a) For Mortgage Revenue Bond Programs, in order to be eligible for a new Single Family Housing Program Allocation, the Applicant shall:

- (1) Demonstrate that all proceeds from a bond issuance in the calendar year three (3) years prior to the current year (other than minor amounts not to exceed \$1 million) have been used to finance loans, or; have been refunded on either a short or long term basis so as to be available to finance loans.
- (2) Certify that any remaining Bond proceeds or authority from an Allocation up to two (2) calendar years prior to the current year will be used either before the use of new Allocation or in conjunction with new Allocation in satisfying federal requirements for such prior funds.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5269. Mortgage Credit Certificate Eligibility.

(a) For Mortgage Credit Certificate programs, in order to be eligible for a new Single Family Housing Program Allocation, the Applicant must:

- (1) Demonstrate that all remaining bond authority in the calendar year two (2) years prior to the current year (other than minor amounts not to exceed \$1 million) have been issued to first time home buyers.



# California Debt Limit Allocation Committee Regulations

(2) Certify that any Mortgage Credit Certificate authority remaining from the year prior to the current year will be used before the use of new Mortgage Credit Certificate authority.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5270. Exceptions to Minimum Requirements.

The Committee may consider exceptions to the minimum requirements based upon detailed information submitted by the Applicant that meeting these requirements presents an undue financial burden or economic hardship for the Applicant. The Committee may delegate the discretion to approve or deny an Applicant's request for such exception to the Chair of the Committee or to the Executive Director. With respect to sections 5268 and 5269, to be granted an exception an Applicant must demonstrate its need to use new Allocation even if unused Mortgage Revenue Bond Allocation or Mortgage Credit Certificate authority totals over \$1,000,000 from prior years.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5271. Allocation Method.

Applicants for the Single Family Housing Program Pool will be awarded an Allocation on a Fair Share Basis. If a request exceeds an Applicant's Fair Share, additional funding can be provided to the extent allocation is available in the Undesignated Reserve Pool in the allocation year the funding is requested.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5273. Income and Purchase Price Certification.

The Applicant's bond or tax counsel must certify that the income and purchase price limits outlined in the CDLAC application for the program were established in accordance with a methodology authorized by the Internal Revenue Code.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Evaluation Criteria

### § 5275. Minimum Goals.

(a) An Applicant receiving an Allocation for a Single Family Housing Program will be held accountable for achieving the minimum goals that were considered by the Committee in awarding the Allocation. The Committee will monitor on an annual basis the programs awarded an Allocation. An Applicant whose Single Family Housing Program did not achieve the participation goals set forth in section 5266 in the previous calendar year, will have their Fair Share Allocation Amount reduced subject to following schedule:



# California Debt Limit Allocation Committee Regulations

Performance Achievement Index		Percentage of Fair Share Allocation Amount
91%	-- 100%	100%
81%	-- 90%	90%
71%	-- 80%	80%
61%	-- 70%	70%
0%	-- 60%	60%

(b) The Committee may consider exceptions to the above schedule of reduced Allocation where the Applicant provides full written documentation of the reasons for the underachievement demonstrating that the circumstances surrounding the underachievement are beyond the control of the Applicant. The Committee may delegate the discretion to approve or deny an Applicant's request for such exception to the Chair or to the Executive Director.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 4. Single Family Housing Bonus Pool

### § 5280. Eligibility Requirements.

If the Committee has established a Single Family Housing Program Bonus Pool in accordance with section 5020(c), Applicants may be eligible if the following is demonstrated:

(a) For Mortgage Revenue Bond Programs:

- (1) Demonstrate that Bonds allocated from the current year's Single Family Housing Pool have been issued.
- (2) Certify that proceeds from the current year's allocation are being used to finance loans.
- (3) Justify the need for additional Allocation.

(b) For Mortgage Credit Certificate Programs:

- (1) Demonstrate that Bonds allocated from the current year's Single Family Housing Pool have been converted into Mortgage Credit Certificate authority.
- (2) Certify that Mortgage Credit Certificates are being issued.
- (3) Justify the need for additional Allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

### § 5281. Evaluation Criteria.

(a) The following criteria will be used to evaluate and rank all Applications considered for the Single Family Housing Program Bonus Pool. All Applicants for Bonus Pool Allocation are required to meet a minimum score of fifteen (15) points.



## California Debt Limit Allocation Committee Regulations

(b) Five (5) points will be awarded where a minimum of twenty-five percent (25%) of program participants are households earning sixty percent (60%) or less of the Applicable Median Family Income of the area in which the program is located.

(c) Five (5) points will be awarded where the program has exceeded its prior year's program performance (based on the most recent yearly data that is available) by ten percent (10%) in assisting households earning sixty percent (60%) or less of the Applicable Median Family Income of the area in which the program is located.

(d) Five (5) points will be awarded where the program will address a demonstrable imbalance between jobs and housing in the community or neighborhood based on sufficient evidence provided to the Committee.

(e) Five (5) points will be awarded where at least twenty-five percent (25%) of the program activity will occur in a Community Revitalization Area.

(f) Five (5) points will be awarded where at least twenty-five percent (25%) of the program activity will occur in rural locations to assist units that will be developed under a low-income self-help ownership program or be restricted for sale to low income households engaged in agricultural employment as described in section 7202 of the Health and Safety Code.

(g) Five (5) points will be awarded where the program is augmented with a down payment assistance program provided by the Applicant or by the other participating jurisdictions.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

### § 5282. Allocation Method.

Applicants for the Single Family Housing Bonus Pool will be awarded an Allocation of the Single Family Housing Program Bonus Pool on a Fair Share Basis.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

### § 5283. Excess Bonus Pool Distribution.

(a) If the Committee has established that any portion of the Single Family Housing Program Pool and Single Family Housing Bonus Pool is remaining by the final meeting of the year, this amount will be made available to Local Issuers under the Single Family Housing Bonus Pool regardless of their initial Fair Share Basis limit or amount of Allocation awarded in the current year.

(b) Subsequent to the determination made in subdivision (a) of this section, awards in this round will be based on the pro-rata population of the jurisdictions served by the Applicant relative to the total population served by the winning Applicants, but shall not exceed the amount requested in the Application.

(c) If the total amount requested by all Applicants as determined in subdivision (b) of this section is less than the amount available as determined in subdivision (a) of this section, and there are Applicants whose pro-rata portion is less than their request, the Committee will consider distributing the excess up to the full amount requested.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 5. Veterans Home Loan Program

### § 5290. Veterans Home Loan Program (VHLP).

The Veterans Home Loan Program will utilize Mortgage Revenue Bonds to assist eligible California veterans with advantageous first mortgages that are at a minimum commensurate with similar state administered Single Family Housing Programs with respect to interest rates and Homeownership Assistance. Allocations will be made on the condition that the entire Allocation will be used to provide below market interest rate mortgages to California veterans.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

### § 5291. VHLP Reporting Requirements.

An Applicant receiving an Allocation for a Veterans Home Loan Program shall be responsible for submitting an annual report of program activity to the Committee. The format for the annual report is outlined in Attachment M of the VHLP Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*





# California Debt Limit Allocation Committee Regulations

## Chapter 4. Extra Credit Teacher Home Purchase Program

### Article 1. Definitions

#### § 5300. Definitions.

In addition to the definitions set forth in Government Code sections 8869.82 and 8869.84(g); and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“Academic Performance Index” or “API” means the index created by the Public Schools Accountability Act of 1999 to measure the performance of schools, especially the academic performance of pupils, and to demonstrate comparable improvement in academic achievement by all numerically significant ethnic and socio-economically disadvantaged subgroups within schools (Education Code 52052).

“Eligible Administrator” means any person who holds one of the following credentials issued by the California Commission on Teacher Credentialing:

- Administrative Services Credential Administrative Services Credential (Examination)
- Standard Supervision Credential Standard Administration Credential
- General Elementary School Administration Credential General Elementary School Supervision Credential
- General Secondary School Administration Credential General Secondary School Supervision Credential
- General Administration Credential General Supervision Credential
- The Supervision Credential General School Principal or Supervisor Credential

“Eligible Classified Employee” means an employee of a school district employed in a position not requiring certification qualifications and who provides administration or service at a High Priority School.

“Eligible Staff Member” means any person who holds one of the following credentials issued by the California Commission on Teaching Credentialing:

- School Nurse Credential
- Clinical or Rehabilitation Service Credential
- Pupil Personnel Services Credential (e.g. School Counseling, School Social Work, School Psychology and Child Welfare and Attendance)
- Library Media Teacher Service Credential
- Designated Subjects Vocational Education Teaching Credential

“Eligible Teacher” means any person who holds one of the following credentials issued by the California Commission on Teacher Credentialing:

- Single Subject Teaching Credential
- Multiple Subject Teaching Credential
- Specialist Instruction Credential in Special Education
- Education Specialist Instruction Credential
- Standard Elementary Teaching Credential



## California Debt Limit Allocation Committee Regulations

- Standard Secondary Teaching Credential
- Standard Early Childhood Education Teaching Credential
- Standard Restricted Special Education Teaching Credential
- General Kindergarten-Primary Teaching Credential
- General Junior High Teaching Credential
- General Elementary Teaching Credential
- Special Secondary Teaching Credential in Art
- General Secondary Teaching Credential
- Special Secondary Teaching Credential in Business Ed
- Special Credential for Teaching Exceptional Children
- Special Secondary Teaching Credential in Homemaking
- Special Secondary Credential for Teaching Lip Reading
- Special Secondary Credential for Teaching the Blind
- Special Secondary Limited Teaching Credential in Music
- Special Secondary Credential for Teaching the Partially Sighted Child
- Special Secondary Credential for Teaching Industrial Arts
- Special Secondary Teaching Credential in Speech Arts
- Special Secondary Teaching Credential in Music
- Special Secondary Credential for Teaching the Mentally Retarded
- Special Secondary Credential for Teaching Credential Limited in Agriculture
- Special Secondary Teaching Credential in Correction of Speech Defects
- Special Secondary Teaching Credential in Physical Ed.

“ETCHP Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for an Extra Teacher Credit Home Purchase Program” (revised 11-16-16), which is hereby incorporated by reference.

“Extra Credit Teacher Home Purchase Program Eligibility Certificate” means the certification to be completed and submitted by the employing school district, County Office of Education or local Board of Education that certifies to all of the following: The Program Participant is an Eligible Teacher, Eligible Administrator, Eligible Classified Employee, or Eligible Staff Member; the Program Participant is not currently under suspension, and there is not currently pending any disciplinary inquiry, investigation, action or proceeding that could result in the suspension or dismissal of the Program Participant; the entity completing the certificate has verified with the California Commission on Teacher Credentialing that the credential of the Program Participant is not currently under suspension, and there is not currently pending any disciplinary inquiry, investigation, action or proceeding that could result in the suspension or revocation of the credential of the Program Participant; and the personnel file of the Program Participant reflects that he or she has not been dismissed from employment with any school or school district for any reason, and that he or she has not been the subject of a disciplinary suspension that has been upheld.

“High Priority School” means a California K-12 public school ranked in the bottom 50% of all schools based on the most recent Academic Performance Index, i.e. schools receiving an API Statewide Ranking of 1, 2, 3, 4 or 5.

“Homeownership Assistance” means financial assistance, including down-payment assistance, closing cost assistance, soft-second financing for the purchase of a home, or such alternative homeownership assistance as proposed by the Applicant in the Application and approved by the Committee. The Homeownership Assistance must: Be in a minimum amount of \$7,500 or 3% of the purchase price of the home, whichever is greater; be structured in the form of either a grant or a deferred payment loan where the payment of principal and interest is deferred until such time as the home is sold or re-financed; and include an incentive, to be proposed by the Applicant, for Program Participants to fully perform the three (3) year service commitment. Applicants will not be required to establish a distinct and separate homeownership program; existing programs may be used. The Committee may delegate to the Chair or to the Executive Director of the Committee the authority to accept and consider homeownership assistance of different types or characteristics than those specifically enumerated or required by this definition. The Committee may establish, or concur with the establishment of, higher assistance limits to ensure program participation in high cost areas.



# California Debt Limit Allocation Committee Regulations

“National Board Certification” means certification from the National Board for Professional Teaching Standards based upon successful completion of a voluntary assessment program covering a variety of subject areas and student developmental levels.

“Program Participant” means an Eligible Teacher, Eligible Administrator, Eligible Classified Employee, or Eligible Staff Member who receives a Mortgage Credit Certificate or a loan funded by Mortgage Revenue Bonds from an Issuer receiving an Allocation from the Extra Credit Teacher Home Purchase Program Pool.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.84(g), Government Code.*

## Article 2. Eligibility Requirements

### § 5310. Application Process.

Applications for an Allocation of the Extra Credit Teacher Home Purchase Program Pool shall be considered in accordance with the provisions of chapter 1 and the submission of an ECTHP Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*

### § 5311. Application of Standards.

Issuers of Mortgage Revenue Bonds or Mortgage Credit Certificates pursuant to this chapter may apply these eligibility standards to borrowers without regard to the date of receipt of Allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*

### § 5312. Applicant Eligibility.

An Applicant requesting an Allocation from the Extra Credit Teacher Home Purchase Program Pool must be an approved Issuer of Mortgage Credit Certificates or Mortgage Revenue Bonds and must propose an Extra Credit Teacher Home Purchase Program whereby Mortgage Credit Certificates or loans funded by Mortgage Revenue Bonds will be made available to Eligible Teachers, Eligible Administrators, Eligible Classified Employees, and Eligible Staff Members. Issuers of Mortgage Credit Certificates and Mortgage Revenue Bonds may apply jointly.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5313. Program Goals.

The Extra Credit Teacher Home Purchase Program proposed by the Applicant must be for the purpose of recruiting and retaining Eligible Teachers, Eligible Administrators, and Eligible Classified Employees in High Priority Schools, and the Applicant must commit to and describe its plan to promote, publicize and market the program in conjunction with school district(s) and county office(s) of education to Eligible Teachers, Eligible Administrators, and Eligible Classified Employees.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*

## § 5314. Program Provisions.

The Extra Credit Teacher Home Purchase Program proposed by the Applicant must, at a minimum, include all of the following:

(a) A specific plan that gives priority to Eligible Teachers, Eligible Administrators, and Eligible Classified Employees working in High Priority Schools ranked 1, 2 or 3 in the API rankings.

(b) A provision that Eligible Teachers, Eligible Administrators, and Eligible Classified Employees include such individuals who are assigned to a school district but provide administration or service to at least one High Priority School for the length of the service commitment.

(c) A provision restricting the program to Eligible Teachers, Eligible Administrators, and Eligible Classified Employees who agree, through a written service commitment, to teach, provide administration or service in a High Priority School for a minimum of three (3) years continuously from the date the Mortgage Credit Certificate or the loan funded by Mortgage Revenue Bonds is awarded to the Program Participant, and for whom an Extra Credit Teacher Home Purchase Program Eligibility Certificate has been completed and submitted by a duly authorized representative of the employing school district or county office of education.

(d) A written service commitment of the Program Participant. Program Participants are required to certify to the Applicant when they have fully performed the service commitment or request to be excused from the service commitment pursuant to subdivision (e) of this section. Early pay off of a loan does not constitute an excuse from the service commitment. Certifications of service commitment must be signed by either:

(1) A duly authorized representative of the employing school district or county office of education; or

(2) The Program Participant under penalty of perjury.

(e) A provision by which Program Participants will be excused from their service commitment in the following cases:

(1) The Program Participant has been continuously employed at the same school since the date of the service commitment, but the school is no longer considered a High Priority School;

(2) The Program Participant's departure from the High Priority School was involuntary, and was not the result of disciplinary action, and she/he accepts another eligible position at a California K-12 public school within one year of the date of departure;

(3) Hardship cases, including but not limited to serious illness, death and divorce;

(4) Occurrences covered under the Family Medical Leave Act or the California Family Rights Act;



## California Debt Limit Allocation Committee Regulations

(5) Other exceptions as proposed by the Applicant in the Application and approved by the Committee. The Committee may delegate this authority to the Chair or the Executive Director.

(f) A priority system such that:

(1) In the event an Applicant's program is oversubscribed, the Applicant must provide assistance to Eligible Teachers and Eligible Administrators before providing such assistance to other eligible Program Participants.

(2) Eligible Teachers with National Board Certification shall have priority over Eligible Teachers without such certification.

(3) Applicants may determine how each priority will be implemented (e.g., a program ~~set-aside~~ set aside) and shall indicate such in the Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*

### § 5315. Alternative Schools. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Evaluation Criteria

### § 5320. Evaluation Criteria

Upon a determination that an Application meets the minimum requirements pursuant to article 2 of this chapter, Applications will be evaluated based on the following criteria:

(a) The amount of the Homeownership Assistance to be provided and the percentage of Program Participants to whom it will be provided.

(b) The strength of the Applicant's plan to publicize, promote and market the Extra Credit Teacher Home Purchase Program to School Districts, County Offices of Education, Eligible Teachers, Eligible Administrators, Eligible Classified Employees and Eligible Staff Members.

(c) The extent to which Applicants show the greatest need within the Applicant's jurisdiction to recruit and retain Eligible Teachers, Eligible Administrators, Eligible Classified Employees and Eligible Staff Members.

(d) The Applicant's past performance, if any, in using past Allocations from the Extra Credit Teacher Home Purchase Program Pool.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5321. Allocation Amount

The Committee will determine the amount allocated to each Applicant based upon the evaluation criteria set forth in section 5320, the number of Applicants applying in the Allocation Round, and the amount of allocation available in the Extra Credit Teacher Home Purchase Program Pool. The Committee may, in its sole discretion, allocate a larger portion of the Extra Credit Teacher Home Purchase Program Pool to Applicants who administer statewide Mortgage Credit Certificate and Mortgage Revenue Bond programs.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*

## Article 4. Reporting Requirements

### § 5330. Specific Reports

The Applicant shall annually report to the Committee, no later than January 31 of each year, the following information:

- (a) The number of loans or Mortgage Credit Certificates issued aggregated by calendar year;
- (b) The schools at which Program Participants are employed, aggregated by API rank and the percent of non-credentialed teachers employed at the school;
- (c) The number of Program Participants that have paid off their loans prior to the completion of the service commitment;
- (d) The number of Program Participants that successfully complete the service commitment during the prior calendar year;
- (e) The number of Program Participants that are currently serving but have not completed the service commitment;
- (f) The number of Program Participants that were excused during the prior calendar year from the service commitment under section 5314(e);
- (g) The number of Program Participants during the prior calendar year that left a High Priority School without fulfilling their service commitment and who were not eligible for one of the exceptions set forth in section 5314(e);
- (h) The number of Program Participants that have not responded to the Applicant's request for certification of the service commitment; and
- (i) The total amount of assessment, if any, collected pursuant to section 5340.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 5. Noncompliance

### § 5340. Monetary Assessment

Where a Program Participant fails to fulfill the requirements of the service commitment and has not been excused from the service commitment, the Applicant may recover as an assessment from the Program Participant a monetary amount equal to the lesser of the following:

- (a) One-half (  $\frac{1}{2}$  ) of the Program Participant's net proceeds from the sale of the related residence; or
- (b) The amount of monetary benefit conferred on the Program Participant as a result of the loan or Mortgage Credit Certificate, offset by the amount of any federal recapture, as defined by 26 U.S.C. section 143(m).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.84(g), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 5. Single Family Housing Home Improvement and Rehabilitation Program

### Article 1. Definitions

#### § 5342. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“Home Improvement and Rehabilitation MCC Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Home Improvement and Rehabilitation Mortgage Credit Certificate Program” (revised 03 15 2018), which is hereby incorporated by reference.

“Home Improvement and Rehabilitation MRB Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Home Improvement and Rehabilitation Mortgage Revenue Bond Program” (revised 03 15 2018), which is hereby incorporated by reference.

“Qualified Home Improvement Loan” means a loan as defined by Title 26 of U.S.C. section 143(k)(4)

“Qualified Rehabilitation Loan” means a loan as defined by Title 26 of U.S.C. section 143(k)(5)

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### Article 2. Eligibility Requirements

#### § 5343. Application Process.

Applications for an Allocation of Home Improvement and Rehabilitation MCCs or MRBs shall be considered in accordance with the provisions of Chapter 1 and the submission of a Home Improvement and Rehabilitation MCC Application or a Home Improvement and Rehabilitation MRB Application. The maximum requested amount of Allocation per Application shall not exceed \$20 million. Should the Application round be deemed non-competitive, the Executive Director may waive this cap.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

#### § 5344. Minimum Requirements.

(a) An Applicant requesting an Allocation for a Home Improvement and Rehabilitation Program must commit to a minimum of twenty percent (20%) of the participants in the Home Improvement and Rehabilitation Program being:

- (1) Households located in a Qualified Census Tract; or





## California Debt Limit Allocation Committee Regulations

(2) Households earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located. Applicants may use the high-cost area adjustment set forth in 26 U.S.C. section 143(f)(5) to meet this minimum requirement,

(b) For Home Improvement and Rehabilitation Mortgage Revenue Bond Programs, in order to be eligible for a new Home Improvement and Rehabilitation Program Allocation, the Applicant shall:

(1) Demonstrate that all proceeds from a Bond issuance in the calendar year three (3) years prior to the current year (other than amounts that are insufficient to fund one Home Improvement and Rehabilitation loan) have been used to finance loans, or; have been refunded on either a short or long term basis so as to be available to finance loans.

(2) Certify that any remaining Bond proceeds or authority from an Allocation up to two (2) calendar years prior to the current year will be used either before the use of new Allocation or in conjunction with new Allocation in satisfying federal requirements for such prior funds.

(c) For Home Improvement and Rehabilitation Mortgage Credit Certificate programs, in order to be eligible for a new Home Improvement and Rehabilitation Program Allocation, the Applicant must:

(1) Demonstrate that all remaining Bond authority in the calendar year two (2) years prior to the current year (other than amounts that are insufficient to fund one Home Improvement and Rehabilitation MCC) have been issued.

(2) Certify that any Mortgage Credit Certificate authority remaining from the year prior to the current year will be used before the use of new Home Improvement and Rehabilitation Mortgage Credit Certificate authority.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5345. Exceptions to Minimum Requirements.

With respect to subsections (b) and (c) of section 5344, the Committee may consider exceptions to the minimum requirements based upon detailed information submitted by the Applicant stating the reasons for the underachievement and explaining why the circumstances surrounding the underachievement are beyond the control of the Applicant. The Committee may delegate the discretion to approve or deny an Applicant's request for such exception to the Chair of the Committee or to the Executive Director. To be granted an exception, an Applicant must demonstrate its need to use new Allocation even if unused Mortgage Revenue Bond Allocation or Mortgage Credit Certificate authority totals over \$1 million from prior years.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84©, 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Evaluation Criteria

### § 5346. Past Performance.

Applicants must demonstrate that Home Improvement and Rehabilitation Mortgage Credit Certificate Program Allocation from the past year has been used or are designated to be used to issue Mortgage Credit Certificates.



# California Debt Limit Allocation Committee Regulations

The Committee may consider exceptions to the Past Performance requirement based upon detailed information submitted by the Applicant stating the reasons for the underachievement and explaining why the circumstances surrounding the underachievement are beyond the control of the Applicant. The Committee may delegate the discretion to approve or deny an Applicant's request for such exception to the Chair of the Committee or to the Executive Director. To be granted an exception, an Applicant must demonstrate its need to use new Allocation even if unused Mortgage Revenue Bond Allocation or Mortgage Credit Certificate authority totals over \$1 million from prior years.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5347. Potential Public Benefits Calculation.

For each Allocation round, programs will be evaluated and ranked based on how effectively they will achieve the following public benefits relative to their competitor's performance: Serving the maximum number of households earning eighty percent (80%) or less of the Applicable Median Family Income of the area in which the program is located; ensuring the lowest interest rates to borrowers; and serving the maximum number of households with the allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 4. Reporting Requirements

### § 5348. Program Performance Monitoring.

Applicants will be required to track the information identified in Exhibits 1 and 2 of their applicable Home Improvement and Rehabilitation MCC or MRB Application and report that information to the Committee by March 1 of each calendar year.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 6. Small-Issue Industrial Development Bond Program

### Article 1. Definitions

#### § 5350. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“ANSI” means the American National Standards Institute which facilitates the development of American National Standards by accrediting standards developing organizations for a wide variety of products, manufacturing and industrial processes, and distribution processes for goods, services and energy.

“Forest Stewardship Council” means the independent, non-governmental, not-for-profit organization established in 1993 to promote the responsible management of the world's forests in cooperation with the ISO.

“IDB Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Small-Issue Industrial Development Bond Project” (revised 11-30-2018), which is hereby incorporated by reference.

“ISO” means the International Organization of Standardization

“Job Retention” means full time jobs that will be retained in California by the Project Sponsor. The company must be actively seeking to relocate jobs out of the state; forced to eliminate jobs in order to remain in operation; at risk of closing their local operations; or be acquired prior to closing or relocating under new ownership that commits to maintain company operations and retain existing jobs. The number of jobs retained shall be calculated on the number of full time jobs that are on the company payroll at the time of Application. The Job Retention period will begin upon issuance of the Bonds and must be met within two (2) years after issuance of Bonds. The Job Retention requirement may be monitored by CIEDB utilizing Employment Development Department job retention statistics.

“Median Hourly Production Occupation Wage” means the median hourly wage for production occupations as defined by the U.S. Bureau of Labor Statistics.

“Qualified Retirement Plan” means a retirement satisfying the requirements of 26 U.S.C. sections 401(a) or 403(a) and the Employee Retirement Income Security Act of 1974 (ERISA).

“Renewable Energy” means any device or technology that conserves or produces heat, processes heat, space heating, water heating, steam, space cooling, refrigeration, mechanical energy, electricity, or energy in any form convertible to these uses, that does not expend or use conventional energy fuels, and that uses any of the following electrical generation technologies pursuant to California Public Resources Code 26003(i)(1):

- Biomass
- Solar thermal.
- Photovoltaic.
- Wind.
- Geothermal.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 2. Applications

### § 5360. Application Process.

Applications for an Allocation of the Small-Issue Industrial Development Bond Program Pool shall be considered in accordance with the provisions of chapter 1 and the submission of an IDB Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### § 5361. Allocations to CIDFAC. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

### § 5362. Transfer of Allocation by CIDFAC. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

### § 5363. Reporting Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

## Article 3. Evaluation Criteria

### § 5369. Minimum Requirements.

Applications for a Small-Issue Industrial Development Bond Project must provide documentation of the applicable discretionary use permits and approvals from federal, state or local planning agencies for the proposed Project at the time of Application. Applicants are not required to have obtained ministerial approvals at the time of Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### § 5370. Evaluation Criteria.

(a) Community Economic Need (20 points maximum). Applications will be awarded points for Projects that are located in communities according to the following:

(1) Unemployment Rate (10 points maximum). Based on data from the California Employment Development Department, the average unemployment rate for the preceding calendar year of the county sub-area in



## California Debt Limit Allocation Committee Regulations

which the Small-Issue Industrial Development Bond Project is located will be divided by the statewide unemployment rate for the preceding calendar year and multiplied by one-hundred (100). The following points will be awarded accordingly:

(A) Ten (10) points to a Project located in an area with an unemployment rate that is one hundred seventy-five percent (175%) or more of the statewide average.

(B) Five (5) points to a Project located in an area with an unemployment rate that is one hundred twenty-five percent (125%) or more, but less than one hundred seventy-five percent (175%), of the statewide average.

(2) Project Area Poverty Rate (5 points maximum). Based on the most recent data from the United States Bureau of the Census, the estimated poverty rate of each federal census tract within a 1-mile radius area of the Project site, including the tract in which the Project is located will be averaged, divided by the statewide poverty rate and multiplied by one-hundred (100). The following points will be awarded accordingly:

(A) Five (5) points to a Project located in an area in which the poverty rate is over one hundred twenty-five percent (125%) of the statewide poverty rate.

(B) Three (3) points to a Project located in an area in which the poverty rate is over one-hundred ten percent (110%) but not more than one-hundred twenty-five percent (125%) of the statewide poverty rate.

(3) Median Family Income (5 points maximum). Points will be awarded for a Project located in an area with a median family income of less than eighty percent (80%) of the statewide average based on the most recent census data available for cities or Census Designated Places. If no city or Census Designated Place level data is available, or if the Applicant chooses to identify a Project benefit area that is smaller than a city or Census Designated Place, such as census tract or tracts, smaller areas may be used.

(4) If a Project is located in an area for which there is no available economic data, the Small Issue Industrial Development Bond Issuer may submit alternate information to establish the Project's consistency with the intent of the aforementioned point categories pursuant to subdivision (a) of this section. For example, a Small Issue Industrial Development Bond Issuer may submit unemployment and/or median family income data for a neighboring area that is a sub-area, a city, or a Census Designated Place that is in close proximity to the proposed Project. The Executive Director shall have the authority to determine whether the alternate information meets the intent of the point category for which such information has been submitted.

(b) Jobs Creation and Retention (45 points maximum). Applications will be awarded points for Projects that create and/or retain jobs according to the following:

(1) Job Creation (35 points maximum). Applications will be eligible for Job Creation points when full-time new jobs have been created pursuant to the Job Retention definition provided in section 5350. Based on the Project Sponsor's representation that they will make their best efforts to increase the number of direct, full-time employees at the Project site within two (2) years of Project completion, points will be awarded as follows:

(A) Thirty-five (35) points to Projects creating a 31% or more increase in the manufacturer's workforce.

(B) Twenty (20) points to Projects creating a 21% to 30% increase in the manufacturer's workforce.

(C) Ten (10) points to Projects creating a 10% to 20% increase in the manufacturer's workforce.



## California Debt Limit Allocation Committee Regulations

(2) Job Retention (10 points maximum). Applications will be eligible for Job Retention points when jobs have been retained pursuant to the Job Creation definition as provided in section 5000. To qualify for Job Retention points, the jobs retained must be those that would be lost in the absence of the requested Allocation. Points will be awarded provided the following:

(A) A certification that the Project Sponsor will retain the specified jobs for a two (2) year period after the issuance of Bonds. The Committee may verify jobs retained at any time during the two (2) year period, or

(B) A verification letter from the appropriate local governmental entity stating that the Project Sponsor's business is at risk of closing local operations, and that the requested Allocation and retention of the Project Sponsor's business is an integral part of its plan to maintain the health of the local economy and retain employment, or

(C) Written evidence from the Project Sponsor that the company within two (2) years prior to the submission of an Application for tax-exempt IDB financing, engaged a site selector to find possible relocation sites.

### (c) Workforce and Economic Development (15 points maximum)

(1) Welfare-to-Work (5 points maximum). Points will be awarded where the Project Sponsor proposes or is participating in a Welfare-to-Work Plan in conjunction with a local governmental agency, educational agency, or non-profit organization. Evidence may include a signed letter or documentation demonstrating a proposed plan has been acknowledged or that participation is occurring that includes, at minimum, the manner and extent of the participation.

(2) Workforce Training (5 points maximum). To qualify for points in this category, the Project Sponsor must provide copies of official documentation of its current or pending participation. Such documentation shall include copy of an executed contract between the Project Sponsor and the provider; or a formal letter from the provider addressed to the Project Sponsor acknowledging the Project Sponsor's current or pending participation in the program. Points will be awarded where the Project Sponsor participates in one or more training, retraining or apprenticeship programs offered by any of the following state agencies, certified training facilities or postsecondary institutions:

(A) The California Employment Training Panel;

(B) The California Department of Industrial Relations;

(C) A community college;

(D) University;

(E) Adult school; or

(F) A regional occupational program or private training agency approved by the California Bureau of Private Postsecondary and Vocational Education.

(3) Exports Outside of California (5 points maximum). To qualify for points in this category, an officer or owner of the Project Sponsor must certify in writing on Project Sponsor letterhead that it exports, or in the case of the construction of a new manufacturing facility at a new Project site, anticipates that it will export as part of its business plan as follows:

(A) In excess of 30% of products manufactured at the Project site (5 points);



## California Debt Limit Allocation Committee Regulations

(B) Over 20% and up to 30% of its products manufactured at the Project site (3 points);

(C) Up to 20% of its products manufactured at the Project site (2 points);

(d) Payment of Employee and Dependent Medical, Dental, Vision and Retirement Costs (20 points maximum). Applications will be awarded points where the Project Sponsor contributes toward the cost of employee and dependent medical, dental, and vision benefits. Applicants must provide evidence of the amount paid to each medical, dental and vision provider and the amount of employee contribution toward the provision of these benefits. Points will be awarded based on the average dollar amount per participating employee contributed by the Project Sponsor toward the cost of benefits as follows:

(1) Health, Dental and Vision (15 points maximum).

(A) Fifteen (15) points will be awarded to Applications that demonstrate that the Project Sponsor will contribute an average of \$330 or more per month toward the cost of the medical, dental, and vision benefits for each participating employee and dependents of the employee.

(B) Ten (10) points will be awarded to Applications that demonstrate that the Project Sponsor will contribute an average of \$220 or more, but less than \$330, per month toward the cost of the medical, dental, and vision benefits for each participating employee and dependents of the employee.

(C) Five (5) points will be awarded to Applications that demonstrate that the Project Sponsor will contribute an average of \$110, but less than \$220, per month toward the cost of the medical, dental, and vision benefits for each participating employee and dependents of the employee.

(2) Retirement Plans (5 points maximum). To qualify for points in this category, the Project Sponsor must provide specific documentation to show it contributes to a Qualified Retirement Plan or other retirement account for each participating employee and must confirm that it will offer such benefits to employees hired in accordance with the representations made pursuant to the Job Creation definition as provided in section 5000.

(e) Average Hourly Wage (10 points maximum). Applications will be awarded points based on a comparison of the Project Wage to the most recent Job Wage. The Project Wage will be divided by the Job Wage and multiplied by one-hundred (100). Points will be awarded as:

(1) Ten (10) points for a Project Wage that is one hundred twenty-five percent (125%) or more of the Job Wage.

(2) Six (6) points for a Project Wage that is one hundred fifteen percent (115%) or more but less than one hundred twenty-five percent (125%) of the Job Wage.

(3) Three (3) points for a Project Wage that is one hundred five percent (105%) or more but less than one hundred fifteen percent (115%) of the Job Wage.

(f) Environmental Stewardship (27 points maximum).

(1) Land Use (3 points maximum). Points will be awarded to Projects that involve the reuse of the following:

(A) Vacant or abandoned buildings; or

(B) Vacant or abandoned land with developed infrastructure, excluding land where the immediate prior use was agricultural, open space or other similar use.



# California Debt Limit Allocation Committee Regulations

## (2) Public Transportation (4 points maximum).

(A) In areas where there is no public transportation system, three (3) points will be awarded to Applications where the Project Sponsor has an adopted transportation system management plan, or;

(B) Four (4) points will be awarded to Projects that are located within one-quarter (  $\frac{1}{4}$  ) of a mile of a regular route stop within a Public Transit Corridor evidenced by a scaled-for-distance map showing the location of the Project is within a one-quarter (  $\frac{1}{4}$  ) mile radius of a Public Transportation Corridor and where the Project Sponsor provides written evidence of offering public transit subsidies for employees at the Project site.

## (3) Energy Efficiency/ Renewable Energy (10 points maximum).

(A) Five (5) points will be awarded to Projects that utilize designs, materials or techniques to reduce energy usage by at least fifteen (15%) on the part of the Project Sponsor compared to the following benchmarks:

(i) For building construction or rehabilitation, the most recently published California Energy Commission Energy Efficiency Standards for Residential and Non-Residential Buildings; or

(ii) For equipment to be purchased and installed, the current per energy unit output of equipment currently in use by the Project Sponsor. Evidence should include a utility company letter indicating that energy savings are Projected or a written certification from an energy efficiency consultant.

(B) Five (5) points will be awarded to Projects that involve the installation and use of Renewable Energy equipment to power the production process. The Project Sponsor must provide written documentation from its utility company which specifies the installation or planned installation of Renewable Energy equipment.

(4) Manufacturer of Certified Environmentally Preferable Products (5 points maximum). Points will be awarded to Projects which produce or will produce environmentally friendly products certified by an ANSI accredited standards developing organization (e.g., Green Seal, Inc.) or by a widely-recognized and reputable organization accredited as a certifier by an ANSI accredited standards developing organization or by a Forest Stewardship Council (e.g., Scientific Certification Systems, Inc.). The Project Sponsor must provide the current, official documentation of the certification and must provide the percentage of the overall output that is comprised of the certified products.

(5) U.S. Green Building Council (USGBC) LEED-Certified Manufacturing Facility (5 points maximum). Points will be awarded to Projects for which Bond proceeds will be used to construct U.S. Green Building Council (USGBC) LEED-certified facilities, or to make improvements to existing facilities that will qualify it for a LEED certificate. The Project Sponsor must provide either:

(A) Official documentation of its registration (including evidence of payment of the registration fee) with the USGBC to obtain LEED certification in cases where the Project involves the construction of a new facility and construction has not begun or is not complete at the time of Application; or

(B) Official documentation of receipt of a Silver, Gold or Platinum LEED Certification in cases where construction or improvements and the certification process are completed.

(g) Leverage (5 points maximum). Points will be awarded to Projects for which Taxable Debt, a taxable loan, and/or private funds or equity will supplement the use of the tax-exempt Bond financing. The Project Sponsor must provide





# California Debt Limit Allocation Committee Regulations

overall Project costs and certify that one or more of these other sources of financing will be used for Projects expenses with points awarded for achieving the following levels:

(1) Five (5) points for Projects where greater than twenty percent (20%) of total Project costs will be paid from Taxable Debt, a taxable loan, and/or private funds or equity.

(2) Three (3) points for Projects where greater than ten percent (10%) and up to twenty percent (20%) of total Project costs will be paid from Taxable Debt, a taxable loan, and/or private funds or equity.

(h) Ranking Applications. Where two or more Applications are awarded the same number of points pursuant to this section, the Executive Director will divide the Allocation amount requested by each such Application by the number of jobs created by the related Project, and will rank the Applications based on the lowest amount of requested Allocation per job(s) created.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5371. Enterprise/Empowerment Zone Facility Bond Projects.

For a proposed Enterprise/ Empowerment Zone Facility Bond Project for which the Applicant has determined that Job Creation is the Project's major public benefit, Applications shall be considered pursuant to this chapter.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## § 5372. Permits. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

## Article 4. Small Business Program

### § 5380. Allocations to CIDFAC. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

### § 5381. Minimum Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

### § 5382. Evaluation Criteria. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*



# California Debt Limit Allocation Committee Regulations

## § 5383. Transfer of Allocation by CIDFAC. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*

## § 5384. Reporting Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 7. Exempt Facility Bond Program

### Article 1. Definitions

#### § 5400. Definitions.

“California Environmental Quality Act Review Process” means a process of environmental review as defined by California Public Resources Code sections 21000, et seq.

“EXF Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for an Exempt Facility Project” (revised 03-15-2018), which is hereby incorporated by reference.

“First Tier Business” means (1) a business that (a) is primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste, (b) is a privately-held or employee-owned entity whose ownership interests are not available to members of the public, and (c) has fewer than 3,000 employees (together with affiliates), based on the average employees per pay period during the most recent twelve (12) months before submittal of an Application; or (2) a business which is not primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste that is classified as a small business under regulations of the California Pollution Control Financing Authority (Title 4, California Code of Regulations, sections 8001 et seq.).

“Regulatory Mandate” means a local, state or federal government mandate including, but not limited to, Public Resources Code, section 40000 et seq., a local public health department notice and order, a Regional Water Quality Control Board issued cease and desist order, or similar directive.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### Article 2. Applications

#### § 5410. Application Process.

Applications for an Allocation of the Exempt Facility Project Pool shall be considered in accordance with the provisions of chapter 1 and the submission of an EXF Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

#### § 5411. Allocations to CPCFA.

The Committee may award an Exempt Facility Allocation to the California Pollution Control Financing Authority (CPCFA) for the purposes of administering the Exempt Facility Project Pool. In awarding the Allocation to CPCFA, the Committee will authorize CPCFA to allocate portions of the award to Project Sponsors for purposes of issuing bonds.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(a), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 3. Eligibility Requirements

### § 5420. Justification of Tax-Exempt Funds.

An Application for an Exempt Facility Project must demonstrate that there will be more public benefits (e.g. a reduction in fees to the consumer) if the Project is financed with tax-exempt Bond financing than with any other means of financing available to the Project Sponsor. At a minimum, documentation must compare tax-exempt Bond financing with other means of financing available to the Project Sponsor, such as conventional bank loans, lines of credit, taxable bonds, and other instruments.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code*

### § 5421. CEQA Requirements.

The Applicant must have commenced the California Environmental Quality Act Review Process at the time of Application, if applicable to the Exempt Facility Project proposed. The notice of determination required under Public Resources Code section 21152 for the Exempt Facility Project must have been published at the time of Application and the statute of limitations as defined by Public Resources Code section 21167 for filing an appeal to the decision must have expired prior to the Allocation Round during which the Application will be considered. If an appeal has been filed, the Executive Director may consider factors including, but not limited to, the following in determining whether this requirement has been met:

- (a) Whether the appellant has posted a bond.
- (b) Whether the appellant has sought injunctive relief.
- (c) The outcome of the litigation at the trial court level.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5422. Permits.

The Applicant must provide documentation of the applicable discretionary use permits and approvals from federal, state or local planning agencies for the proposed Project prior to Committee approval. Applicants are not required to have obtained ministerial approvals at the time of Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5423. Review of New Technologies.

The Committee will perform a formal policy review of Projects other than those submitted by the California Pollution Control Finance Authority that involve technologies unfamiliar to the Committee and/or for industries that have not previously requested an award of Allocation. The Committee may request assistance of other federal, state, and local agencies when conducting this review. The Applicant or Project Sponsor may be asked to provide additional information relevant to the Committee's review. The review process shall result in a written policy concerning the



# California Debt Limit Allocation Committee Regulations

advisability of awarding Allocation based on but not limited to the Project's public benefit, financial feasibility and environmental impact.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 4. Evaluation Criteria

### § 5430. Environmental Goals.

The Application will be reviewed for a determination whether the Project, as a whole, promotes or protects environmental quality in connection with the construction and operation of the Exempt Facility Project. Specific factors include:

- (a) Whether the Exempt Facility Project is designed to minimize impact to or may result in an improvement of air quality.
- (b) Whether the Exempt Facility Project is designed to minimize impact to or may result in an improvement of water quality.
- (c) Whether the Exempt Facility Project will result in an improvement in energy efficiency.
- (d) Whether the Exempt Facility Project will result in the recycling of commodities (glass, aluminum and other marketable materials) and green waste (composting and other organic wastes).
- (e) Whether the Exempt Facility Project achieves its environmental goals on a cost effective basis to the consumer.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5431. Disposal of Solid Waste.

No award of allocation shall be made to any Project that does not comply with all applicable state and federal environmental regulations regarding the safe disposal of solid waste.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5432. Non-Solid Waste Projects.

Applications for Exempt Facility Projects or programs, other than solid waste disposal facilities not otherwise included in these regulations, but eligible for consideration for Qualified Private Activity Bond Allocation as an Exempt Facility Project will be considered pursuant to section 5423. Projects may include, but are not limited to, Bonds issued by a government agency to acquire any property from an investor-owned utility, sewage facilities, facilities for the furnishing of water, facilities for the local furnishing of electric energy or gas, qualified hazardous waste facilities, mass commuting facilities, local district heating or cooling facilities, environmental enhancements of hydroelectric generating facilities, high-speed inter-city rail facilities, and the equipment only purchase programs



# California Debt Limit Allocation Committee Regulations

administered by the California Pollution Control Financing Authority. Applications shall be reviewed on a Project-by-Project basis.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5433. Use of Taxable Debt.

The Application will be reviewed for a determination whether the Project will use taxable bond financing or other forms of financing (not including the minimum cash equity required by the Credit Enhancer) in addition to tax-exempt Bond financing in a manner such that the taxable bond financing or other forms of financing (not including the minimum cash equity required by the Credit Enhancer) will supplant the use of tax-exempt Bond financing.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5434. Local Support.

The Application will be reviewed for a determination of whether documentation submitted by local regulatory agencies or local government demonstrates support of the Project and whether the Project supports and contributes to local waste management policy and planning. Examples of such support may include the identification of the Exempt Facility Project in the applicable elements of an approved county or regional agency integrated waste management plan.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5435. Conversion of Taxable Debt.

The Committee may approve Projects that convert taxable debt to tax exempt debt as economic conditions and annual demand for the State Ceiling allow.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 5. Allocation Procedure

### § 5440. Ranking.

Upon a determination that an Application has met the minimum requirements set forth in article 3 and article 4 of this chapter, Allocations from the Exempt Facility Project Pool will be ranked using the following criteria:

(a) Allocations will be first awarded to Applications in which the Project Sponsor is a First Tier Business, and the Exempt Facility Project proposed by the Application is in direct response to a Regulatory Mandate.



## California Debt Limit Allocation Committee Regulations

(b) If any part of the Exempt Facility Project Pool remains unallocated after the Committee makes the Allocations under subdivision (a) of this section, the Committee will then consider other Applications in which the Project Sponsor is a First Tier Business, but the proposed Exempt Facility Project is not in response to a Regulatory Mandate.

(c) If any part of the Exempt Facility Project Pool remains unallocated after the Committee makes the Allocations pursuant to subdivisions (a) and (b) of this section, the Committee will then consider Applications in which the Project Sponsor is not a First Tier Business, but the Exempt Facility proposed by the Application is in direct response to a Regulatory Mandate.

(d) If any part of the Exempt Facility Project Pool remains unallocated after the Committee makes the Allocations pursuant to subdivisions (a), (b), or (c) of this section, the Committee will then consider all other Applications for Exempt Facility Projects.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 8. Student Loan Programs

### Article 1. Definitions

#### § 5450. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this chapter are defined as follows:

“CEFA” means the California Educational Facilities Authority.

“Direct Lender” means an entity that originates loans directly to eligible borrowers in the state and does not include loans made for the purpose of consolidating or otherwise combining existing student loans.

“Program Sponsor” means a California nonprofit corporation organized pursuant to section 150(d) of the Internal Revenue Code of 1986, as amended, that possesses the authority to directly or indirectly make or finance student loans under the Higher Education Act of 1965, as amended, or a state agency.

“Student Loan Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Student Loan Program” (revised 11-30-18), which is hereby incorporated by reference.

“Student Loan Self Scoring Sheet” means the document provided in the Application for a Student Loan Program.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### Article 2. Eligibility Requirements

#### § 5460. Application Process.

Applications for an Allocation of the Student Loan Program Pool shall be considered in accordance with the provisions of chapter 1 and the submission of a Student Loan Application.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

#### § 5461. Minimum Requirements.

In order to be considered for an Allocation for a Student Loan Program, an Applicant must meet the following minimum requirements:

(a) California Non-profit Status. Must be a California nonprofit corporation organized pursuant to section 150(d) of the Internal Revenue Code of 1986, as amended, that possesses the authority to directly or indirectly make or finance student loans under the Higher Education Act of 1965, as amended, or be a state agency.

(b) CEFA Requirement. Before applying to the Committee for allocation of a portion of the State Ceiling pursuant to Government Code section 8869.82 and 8869.85, an entity that is seeking to issue qualified scholarship funding bonds must first obtain CEFA board approval, pursuant to Title 4, California Code of Regulations, section 9073(a), unless such entity became a qualified scholarship funding corporation as defined in subsection (d) of section 150





# California Debt Limit Allocation Committee Regulations

of Title 26 of the United States Code prior to January 1, 2006. CEFA may in its discretion determine not to grant approval to any entity regardless of whether the entity meets the threshold criteria as an Eligible Candidate as defined in Title 4, California Code of Regulations, section 9072(b). CEFA will consult and coordinate with the Committee prior to making a final determination.

(c) A portfolio itemizing the total dollar amount and corresponding percentage of student loans originated by the Applicant which assist financially needy borrowers in California. The data relied upon may be direct or derived from sources deemed by the Executive Director to be accurate.

(d) A proposal of interest rates and other discounts (time period is the next academic year commencing July 1 following the award of Allocation), a description and dollar amount of discounts (i.e. interest rate, guarantee fee, origination fee, etc.). Note: Information will be used in analysis of Application in the subsequent year.

(e) A description of marketing activities and status as a lender, anticipated total dollar amount and number of student loans made to two year, four year and other schools, the eligibility requirements for a loan, the benefits to student borrowers, the mechanism(s) or system(s) for the direct delivery of loans to eligible students and any other features unique to the Program.

(f) Demonstrate actual participation in the California Student Loan Market using the STUDENT MARKETMEASURE Standard Report 10D or other sources deemed by the Executive Director to be accurate. Applicant must include information from the most recently completed federal fiscal year with their Application.

(g) Completion of the Student Loan Self-Scoring Sheet to show what they anticipate to receive in allocation.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Evaluation Criteria

### § 5470. Evaluation and Ranking.

The following criteria will be used to evaluate, rank, and award Allocations from the Student Loan Program Pool:

(a) Allocations from the Student Loan Program Pool will be first awarded to Applications in which the Applicant is a Direct Lender and evaluated based on the following criteria:

(1) The total dollar amount and number of student loans originated by the Applicant in California. The data relied upon will be derived from the STUDENT MARKETMEASURE Standard Report 10D or other sources deemed by the Executive Director to be accurate. The time period shall be the most recently completed federal fiscal year. The Applicant's pro-rata share of the Student Loan Program Pool will in part be determined by the total dollar amount of student loans originated in California. The Committee will consider the incongruity between the federal fiscal year and the Allocation Round when evaluating the data.

(2) Proposed total cost of borrowing per borrower for the next academic year. This cost estimate should include origination fees, interest costs, and all other fees or expenses incurred by a borrower.

(3) Previous year average interest rate. Information provided must refer to the time period of the current academic year. In addition, this information must include averages and weighted averages for the following figures for each student loan program:

(A) Statutory interest rate.



## California Debt Limit Allocation Committee Regulations

(B) Total discount

(C) Discounted interest rate.

For this time period, the Applicant must show the percentage breakdown of usage for all federal student loan programs: Subsidized Stafford, Unsubsidized Stafford, PLUS Parent and PLUS Graduate. This breakdown will be used to determine the weighted averages for the aforementioned figures.

(4) Comparison of Proposed and Actual Interest Rate. The weighted averages will be used to determine whether or not the Applicant was within 25% of the discounted interest rate that they proposed in the prior year. Based on the Committee's assessment, an Applicant could be rewarded and/or penalized for the actual discounted interest rate they provided during the current academic year.

(5) The extent to which the Applicant timely disburses student loans as evidenced by its use of previous and existing allocations from the Committee for direct lender student loan programs. The Committee will evaluate the impact of unused Bond proceeds on the Applicant's present demand for Allocation.

(b) Subsequent to the determination made pursuant to subdivision (a) of this section, Allocation that remains unallocated will then be considered for Applications in which the Applicant is a purchaser of student loans in the secondary market and evaluated based on the following criteria:

(1) The degree to which financially needy students benefit based on an evaluation of the percentage of borrowers with subsidized Stafford loans currently held in portfolio versus borrowers with only unsubsidized Stafford loans.

(2) The use of recycled funds for additional programs that may benefit students other than loan purchase programs, such as grants, new loans, scholarships, student outreach, and borrower benefit programs offered by the Applicant.

(3) The leveraging of the Qualified Private Activity Bond Allocation awarded to the Applicant through the use of taxable bonds and other taxable securities.

(4) The extent to which the Applicant has timely and effectively used previous and existing allocations from the Committee for secondary market loan purchase programs.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 9. Recovery Zone Economic Development Bond (RZEDB) Program [Repealed]

### Article 1. The American Recovery and Reinvestment Act of 2009 (ARRA) [Repealed]

#### § 5480. U.S. Treasury Designated Recovery Zone Bond Allocations. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code; and Section 1400U-1, Internal Revenue Code.*

### Article 2. Application Process for the Recovery Zone Economic Development Bond Reallocation Pool [Repealed]

#### § 5490. Application Process. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

#### § 5491. Minimum Threshold Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

#### § 5492. Minimum Application Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B), 8869.84(c) and 8869.85(b), Government Code.*

#### § 5493. Reallocation Priority System. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

#### § 5494. Undersubscribed Allocation. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 3. Specific Evaluation Criteria [Repealed]

### § 5500. Evaluation Criteria. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

## Article 4. Reporting Requirements [Repealed]

### § 5510. Reports and Timeframes. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B), 8869.84(c), 8869.86(c) and 8869.87, Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 10. Recovery Zone Facility Bond (RZFB) Program [Repealed]

### Article 1. The American Recovery and Reinvestment Act of 2009 (ARRA) [Repealed]

#### § 5520. U.S. Treasury Designated Recovery Zone Bond Allocations. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

### Article 2. Application Process for the Recovery Zone Facility Bond Reallocation Pool [Repealed]

#### § 5530. Application Process. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

#### § 5531. Minimum Threshold Requirements in Addition to the Minimum Application Requirements in Section 5033. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

#### § 5532. Minimum Application Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B), 8869.84(c) and 8869.85(b), Government Code.*

#### § 5533. Reallocation Priority System. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

#### § 5534. Undersubscribed Allocation. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 3. Specific Evaluation Criteria [Repealed]

### § 5540. Evaluation Criteria. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B) and 8869.84(c), Government Code.*

## Article 4. Reporting Requirements [Repealed]

### § 5550. Reports and Timeframes. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.82(a)(11)(B), 8869.84(c), 8869.86(c) and 8869.87, Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 11. Qualified Energy Conservation Bond Program [Repealed]

### Article 1. Definitions [Repealed]

#### § 5560. Definitions. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*

### Article 2. Eligibility Requirements [Repealed]

#### § 5570. Application Process. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

#### § 5571. Minimum Requirements. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

#### § 5572. Reallocation of Waived Allocation. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

#### § 5572. Reallocation of Waived Allocation. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*

### Article 3. Evaluation Criteria [Repealed]

#### § 5580. Evaluation Criteria. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 4. Reporting Requirements [Repealed]

### § 5590. Reports and Timeframes. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c) and 8869.85(b), Government Code.*





# California Debt Limit Allocation Committee Regulations

## Chapter 12. Beginning Farmer Program

### Article 1. Definitions

#### § 5600. Definitions.

In addition to the definitions set forth in Government Code section 8869.82 and unless otherwise required by the context, the following terms as used in this division are defined as follows:

“Agricultural Improvements” means any improvements, buildings, structures or fixtures suitable for use in farming that are located on Agricultural Land. “Agricultural Improvements” do not include personal residences.

“Agricultural Land” means land located in the State of California that is:

- suitable for use in farming and that is or will be operated as a farm, as such term is defined by IRC § 147(c)(2)(D); and
- that will be acquired by a Beginning Farmer.

“Beginning Farmer” means an individual as defined by IRC § 147(c)(2)(C).

“Beginning Farmer Bond Application” means the Application titled “Application for an Allocation of the State Ceiling on Qualified Private Activity Bonds for a Beginning Farmer Bond Program” (11-30-18), which is hereby incorporated by reference.

“Beginning Farmer Bonds” means conduit revenue bonds issued as authorized by the State of California that meet the requirements of Internal Revenue Code §§ 144(a) and 147(c)-(g).

“Borrower” means a Beginning Farmer who has received Beginning Farmer Bond financing under the Program.

“Depreciable Agricultural Property” means personal property suitable for use in farming for which an income tax deduction for depreciation is allowable in computing federal income tax under the IRC, including but not limited to farm machinery and breeder livestock, but not including feeder livestock, seed, feed, fertilizer and other types of inventory or supplies.

“Federal Maximum” means the maximum amount of a loan that federal law allows to be financed under the Program. This amount may be adjusted for inflation in future calendar years as provided for in IRC § 147(c)(2)(H).

“Financed Property” means property which is financed through the Beginning Farmer Program.

“Related Person” means a person or entity other than the Borrower as defined by IRC §§ 144(a)(3) and 147(a)(2).

“Substantial Farmland” means any parcel of land as defined by IRC § 147(c)(2)(E).

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 2. Evaluation Criteria

### § 5610. Minimum Requirements.

(a) The Beginning Farmer Program proposed by the Applicant must be for the purpose of providing loans to beginning farmers. The beginning farmer must:

- (1) Be a California resident;
- (2) Be at least 18 years of age;
- (3) Be a "First Time Farmer" as defined by IRC § 147(c)(2)(C);
- (4) Be the principal operator of the farm;
- (5) Use loan proceeds to purchase land within California or eligible breeder livestock, equipment/machinery and/or new construction or renovations for use in farming operations solely within California;
- (6) Only use the agricultural land, agricultural improvements and depreciable agricultural property for farming by the beginning farmer, his/her spouse, his/her minor children, or any combination thereof;
- (7) Not use loan proceeds to procure seed, feed, feeder stock, fertilizer, personal residence (in excess of the IRC exceptions) or as otherwise prohibited and/or limited by the IRC; and
- (8) Not exceed the lifetime aggregate amount of all loans for any borrower permitted by the IRC.

(b) The Issuer must certify that each participating lender will:

- (1) Ensure that all of the proceeds of the Bond be used for the acquisition of farmland, construction or reconstruction of improvements or equipping of farmland, or the purchase of property of a character subject to the allowance for depreciation under IRC § 167 or other authorized costs.
- (2) Verify the accuracy of all certifications of each Beginning Farmer and all other information with respect to the Project or Beginning Farmer set forth in an Application.
- (3) Ensure that none of the proceeds of the Bond will be used to provide working capital or the financing of inventory, supplies or other ineligible operating expenses.
- (4) Prior to the approval of the issuance of the bond, not finance or otherwise advance moneys to the Beginning Farmer or any Related Person in connection with the Project which the Beginning Farmer expects to finance with proceeds of the Bond in any manner inconsistent with applicable prohibitions and/or limitations set forth in the IRC.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5620. Scoring Criteria.

Upon a determination that an Application meets the minimum requirements pursuant to Section 5610, Applications will be scored based on the following criteria:



## California Debt Limit Allocation Committee Regulations

(a) Past Program Performance. For each allocation round, programs will be evaluated based on the percentage of the previous year's allocation used by each applicant in comparison to the percentage of the previous year's allocation used by the other applicants in the allocation round.

(b) Actual Versus Proposed Average Interest Rate and Loan Amount. For each allocation round, programs will be evaluated and ranked based on each applicant's deviation between the currently proposed and previous year's actual average interest rates, as well as the currently proposed and previous year's actual average loan amount, in comparison to the allocation round's other applicants' proposed and previous year's actual average interest rates and currently proposed and previous year's actual average loan amount.

(c) Additional Points. In a competitive application round, additional points will be awarded to Applicants that commit to the goal of providing allocation to Beginning Farmers that provide the following public benefits:

(1) Job Creation. A maximum of 20 points will be awarded to programs that use a substantial portion of allocation for programs that will add jobs to local economy (one point per job with a maximum of 20 points). Points will be awarded in the following manner:

(A) one (1) point will be awarded for each full time job;

(B) part time jobs will receive a tenth of a point, rounded to the nearest tenth of a point, based on the job's full time equivalency.

(2) Borrower Preparation. A maximum of 15 points will be awarded to programs that provide a technical assistance component for the following areas:

(A) Five (5) points will be awarded to Applicants that make available financial management education and/or training;

(B) Five (5) points will be awarded to Applicants that make available land management education and/or training; and/or

(C) Five (5) points will be awarded to Applicants that make available resource conservation education and/or training.

(D) Evidence of the aforementioned technical assistance program(s) shall be submitted with the application and shall include, but is not limited to, third-party contracts or agreements for the provision of training, training schedules, program curricula and narratives describing the training programs and written assurance of the education/training provider that beginning farmers will be eligible for the education/training for a minimum period of twenty-four (24) months after the beginning farmer's financing is approved by the Applicant.

(3) Farm to Fork. Nine (9) points will be awarded to Applicants that use a substantial portion of allocation for programs that establish or enhance farming operations producing edible agricultural commodities for sale and consumption within 200 miles of the farming operations financed by proceeds from a beginning farmer bond. Evidence of the program shall be submitted with the application and shall include, but is not limited to, a description of the program identifying how the program will operate, proposed buyers and sales contracts.

(4) Family Farms. Three (3) points will be awarded to Applicants that use a substantial portion of allocation for programs to acquire family farms by beginning farmers (land, breeding livestock and/or equipment/machinery).



# California Debt Limit Allocation Committee Regulations

(5) Under-Represented Borrowers. Three (3) points will be awarded to Applicants that use a substantial portion of allocation for programs designed to facilitate acquisition of farmland, breeding livestock equipment and/or equipment/machinery by veterans, women and/or under-represented populations.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## § 5630. Allocation Distribution.

The Committee will determine the amount allocated to each Applicant based upon the evaluation criteria set forth in section 5620, the number of Applicants applying in the Allocation Round, the amount requested by each Applicant and the amount of allocation available in the Beginning Farmer Program Pool. In a competitive Application year, the maximum requested amount of Allocation per Application shall not exceed twenty million dollars (\$20,000,000). The Committee may waive this cap on a case-by-case basis in its sole and absolute discretion.

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

## Article 3. Reporting Requirements

### § 5640. Specific Reports.

Applicants receiving an allocation shall comply with the reporting requirements contained in Article 11 of Chapter 1.

*Note: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Chapter 13. Qualified Public Educational Facility Bond (Qpefb) Program [Repealed]

### Article 1. Definitions [Repealed]

#### § 5700. Definitions. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### Article 2. Applications [Repealed]

#### § 5710. Application Process. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

#### § 5711. Allocations. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84, Government Code.*

### Article 3. Eligibility [Repealed]

#### § 5720. Project Readiness. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

#### § 5721. Permits. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

#### § 5722. Eligibility Requirement. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Section 8869.84(c), Government Code.*



# California Debt Limit Allocation Committee Regulations

## Article 4. Reporting and Regulatory Requirements [Repealed]

### § 5730. Specific Reports. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*

### § 5731. Regulatory Compliance. [Repealed]

*NOTE: Authority cited: Section 8869.94, Government Code. Reference: Sections 8869.84(c), 8869.85(a) and 8869.85(b), Government Code.*



California Debt Limit Allocation Committee

**AGENDA ITEM 8**

**Supplemental Bond Allocation**

**Request Above the Executive**

**Director's Authority**

**(Cal. Code Regs., tit. 4, §5240)**

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

*August 6, 2024*

**Supplemental Bond Allocation Request Above the Executive Director's Authority**

**(Cal. Code Regs., tit. 4, §5240)**

(Agenda Item No. 8)

**BACKGROUND:**

Pursuant to California Code of Regulations, title 4, section 5240(a), requests for Supplemental Allocations for Qualified Residential Rental Projects may be submitted to the California Debt Limit Allocation Committee (CDLAC) during any Allocation Round throughout the year. Staff is required to review each request for Supplemental Allocation and make a recommendation to CDLAC regarding any possible award of additional Allocation. CDLAC has delegated authority to the CDLAC Interim Executive Director to award Supplemental Allocation to projects where the total supplemental request is no more than 10% of the project's original allocation and no more than 52% of the aggregate depreciable basis plus land basis, pursuant to California Code of Regulations, title 4, section 5240(b). The CDLAC Interim Executive Director oversees the administration of CDLAC and is responsible for ensuring the various functions of CDLAC are carried out. Awards of Supplemental Allocations are required to be memorialized in a CDLAC resolution. All applicable requirements imposed on the associated initial project Allocation, including, but not limited to, the expiration of the Allocation, bond issuance deadlines, extensions, transfers of Allocation, carry-forward elections, and reporting will be equally applicable to Supplemental Allocations.

**DISCUSSION:**

Five applicants requested a Supplemental Allocation above the Executive Director's authority. Staff has reviewed the applications for compliance and accuracy. The project's applicants have submitted letters to support their requests.

<b>APPLICATION NUMBER</b>	<b>NAME</b>	<b>APPLICANT</b>	<b>SUPPLEMENTAL REQUEST</b>	<b>PREVIOUS APPROVED ALLOCATION</b>	<b>TOTAL ALLOCATION</b>	<b>SUP %</b>	<b>BASIS</b>
CA-24-584	West Harbor Park	California Municipal Finance Authority	\$2,725,000	\$3,925,000	\$6,650,000	69.43%	52%
CA-24-586	710 Broadway	California Municipal Finance Authority	\$9,823,160	\$14,415,236	\$24,238,396	68.14%	52%
CA-24-588	Vintage at Folsom Apartments	California Statewide Communities Development Authority	\$5,393,566	\$21,612,924	\$27,006,490	24.96%	52%



CA-24-589	Kawana Springs Apartments	California Housing Finance Agency	\$4,456,125	\$38,250,000	\$42,706,125	11.65%	51%
CA-24-590	Rancho Sierra Senior Apartments	California Municipal Finance Authority	\$7,358,202 (includes previous \$1,302,702 supplemental)	\$18,319,798	\$25,678,000	40.17%	52%

**RECOMMENDATION:**

Staff recommends approval of the supplemental allocations requested above the Executive Director’s authority.

**West Harbor Park Affordable Partners, LP  
550 S. California Ave, Suite 330  
Palo Alto, CA 94306  
650-833-0100**

June 20, 2024

Marina Wiant  
Executive Director  
California Debt Limit Allocation Committee  
901 P Street Suite 213A  
Sacramento, CA 95814

RE: Supplemental Allocation and Request for 90-day Extension - Resolution No. 23-255

**Request for 90-day Extension**

Klein Financial Corporation (the "Developer") respectfully requests a 90-day extension to the current CDLAC closing deadline of September 3, 2024. In addition, we request a waiver of any forfeiture of the performance deposit or assignment of any negative points to the Project Sponsor that could be imposed by this request. The project's costs have increased dramatically and we are restructuring the capital stack to achieve feasibility and if we are granted the supplemental allocation, then the project will need additional time to coordinate with its lender and investor.

Also, the project continues to work with its engineer, architect, contractor, and subcontractors to reduce costs with value engineering which need to be processed through the City of Vallejo.

**Supplemental Allocation (revised 40-unit project)**

The West Harbor Park property will consist of 122 residential units located in 3 new residential apartment buildings. 20% of the units will be restricted to tenants earning less than 50% AMI and will be owned by a separate partnership from the market rate units under the legal name of West Harbor Park Affordable Partners LP to be able to separately allocate the tax credits. The West Harbor Park Affordable Apartments project will consist of the 24 affordable units, plus one manager unit within the 122-unit West Harbor Park development

In August 2023, the partnership submitted a CDLAC application for only the 24 restricted units (20% set aside) to minimize the amount of bond allocation requested. The project was awarded a \$3,925,000 (**\$163,541/unit**) allocation on 12/6/23 and subsequently received a 90-day extension with a new issuance deadline of 9/3/24.

Construction and interest expense costs have increased dramatically and to partially offset these costs, we plan to convert 16 of the market rate units to tax credits units using the LIHTC income averaging rule to generate additional tax credit equity. To satisfy the 50% test on the revised 40-unit tax credit affordable property, the project submitted a supplemental allocation request for \$5,225,000 which equates to an overall CDLAC allocation per unit figure of **\$228,750/unit** which is a very efficient execution.

- Approximately \$2,700,000 of the supplemental request is for the original 24 units and;
- Approximately \$2,525,000 of the supplemental request is for the new 16 units

The gross amount of the supplemental request is relatively small, and we are creating 16 additional tax credit units. The increase requested is consistent with other, recent, supplemental requests that have been approved. For example, a property in Hollywood recently received a supplemental allocation of \$11,500,000 with a tax-exempt bond allocation of approximately \$510,000/unit. Another project in Los Angeles has received 2 supplemental allocations totaling approximately \$10,400,000 with a tax-exempt bond allocation of approximately \$660,000/unit.

Therefore, given the increase in costs, the requirement to satisfy the 50% test and the 66.67% increase in affordable units generated, we respectfully request approval of the supplemental allocation. **It is essential that the reviewers realize, there is no alternative mechanism – other than the Supplemental Request Process – to increase the number of affordable units in a project (consistent with the Mandate of the Committee to maximize the number of affordable units), once a project sponsor has received a bond allocation.** Note: The project is not receiving any state tax credits or other forms of government grants/subordinate loans and as part of our feasibility agreement with our equity partner, we agreed to increase the number of tax credit units.

**Supplemental Allocation (existing 24-unit project)**

If the supplemental request outlined above for the 40-unit project is not allowed, then we would like to request \$2,725,000 in supplemental tax-exempt bonds for the existing previously approved 24-unit project. This request is over 10% of the original bond allocation but below previously approved supplemental percentages (73.3% SUP% City of LA project) granted by the committee. As outlined above, the project's development costs have increased substantially and with the approved supplemental bond allocation, the project will finance 52.36% of the aggregate basis with tax-exempt bonds. With the supplemental allocation the total approved bonds would be \$6,650,000 (\$277,083/unit) which is at or below industry averages.

We have been working on this project since June 2019 and have incurred significant predevelopment costs and are hopeful that we can move forward now with the construction of 40 new affordable tax credit units; but, if the Committee elects not to approve the 40 unit application, we request that the increased allocation for the 24 unit application be approved. The time extension will be necessary in either case, since the finalization of the closing documents with our lender and investor must wait for the result of this hearing, to make the final adjustments and schedule the closing dates.

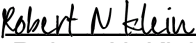
To the best of our recollection, in the past 45 years, Klein Financial Corporation has not requested a supplemental allocation. We appreciate your consideration of this request.

Sincerely,

West Harbor Park Affordable Partners, LP

By: West Harbor Park GP, LLC, its General Partner

By: Klein Financial Corporation, its Manager

DocuSigned by:  
By:   
Robert N. Klein, its President



June 20, 2024

The California Debt Limit Allocation Committee  
901 P Street, Room 102  
Sacramento, CA 95814  
**Attention:** Marina Wiant, Deputy Executive Director

**Re:** Request for approval of supplemental bonds above the Executive Director's (Cal. Code regs. Title 4, section 05240(b)(1))  
Project: 710 Broadway  
Applicant: 710 Broadway Development Co., LLC  
Original Resolution Number: 22-155

Dear Ms. Wiant:

In February of 2022, Related California Residential and the Santa Monica-based non-profit developer Community Corporation applied to the California Tax Credit Allocation Committee ("TCAC") and the California Debt Limit Allocation Committee ("CDLAC") for an allocation of tax-exempt bonds and low-income housing tax credits. On June 15<sup>th</sup>, 2022, CDLAC and TCAC awarded the project a reservation of 4% low-income housing tax credits and an allocation of tax-exempt bonds. Since the project applied to CDLAC and TCAC in February of 2022, construction costs have escalated at an unprecedented rate and the federal reserve has raised interest rates at a pace that has not been seen since the early 80s. There was no way these substantial headwinds could have been predicted. In addition, the scope of building became more complex to design and construct than anticipated. These factors have resulted in nearly a \$19 Million aggregate increase in the overall budget.

The project's original resolution awarded \$14,415,236 of tax-exempt bonds. The applicant is requesting an additional \$9,823,160 in a supplemental allocation of tax-exempt bonds for a revised tax-exempt bond allocation of \$24,238,296. With the approval of a supplemental bond allocation, the project will finance 52.0% of the aggregate basis with tax-exempt bonds. In accordance with CDLAC regulations, committee approval is required for a total supplemental request that exceeds 10% of the projects committee-approved allocation. Please accept this letter as a formal request to obtain authorization to exceed the limit so that the project can maintain feasibility and deliver the new construction of 57 much-needed below market rate units to the City of Santa Monica, which is dramatically under-supplied with quality affordable housing. It should also be noted that the project is providing 28 moderate income units, which are not part of the tax-exempt bond financing package, in one of the first and only models of a true mixed-income project.

Thank you for your consideration and we are available as needed to address further questions.

Sincerely,

Larry Wilkes  
Senior Vice President  
710 Broadway Development Co., LLC

# Sabelhaus & Strain PC

Stephen A. Strain  
Meghann Carey

1724 10<sup>th</sup> Street, Suite 110  
Sacramento, California 95811

(916) 444-0286  
Fax (916) 444-3408

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July 25, 2024

Marina Wiant, Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

**Re: Vintage at Folsom (Resolution No. 23-261)**

Dear Ms. Wiant:

I represent the sponsor of the above referenced project. On December 6, 2023 the California Debt Limit Allocation Committee (CDLAC) allocated \$21,612,924 in tax-exempt bonds to the project. Earlier this month we submitted a request for a supplemental allocation to be considered at the August 6, 2024 CDLAC meeting. Working toward closing this week realized we had utilized an outdated model for that request and are now submitting this request to modify our supplemental request. A corrected Attachment 15 and Attachment 40 are attached reflecting the following:

As the project has moved toward bond issuance changes it has been determined that due to changes in the financial environment and final bids from the general contractor that the allocated bonds will not be sufficient to meet the 50% test. The development team has modified the construction loan structure to mitigate the increase in construction loan interest and identified some additional sources to address the other increased costs but still requires a supplemental bond allocation in the amount of \$5,393,566 to meet the 50% test and maintain the project feasibility. With the approval of this supplemental bond allocation the project will finance 52% of its aggregate basis with tax-exempt bonds but because the supplemental allocation request exceeds 10% of the original allocation (24.96%) CDLAC regulations require it be approved by the committee.

Please accept this letter as a formal request to modify our previously submitted supplemental request and approve a supplemental bond allocation in the amount of \$5,393,566 for the Vintage at Folsom project so that the project can move forward and provide 135 units of much needed affordable senior housing in the Folsom community.

I appreciate your consideration of this request and am available to discuss if helpful.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen A. Strain", with a long, sweeping horizontal flourish extending to the right.

Stephen A. Strain, Esq.

**500 Kawana Springs Rd., L.P.**  
20750 Ventura Boulevard, Suite 155, Woodland Hills, CA 91364

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July 15, 2024

California Debt Limit Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

Re: Kawana Springs Apartments (500 Kawana Springs Rd., L.P.)  
Project No. 20-520  
10% Supplemental Bond Threshold Waiver Request

To Whom it May Concern:

We have submitted a Supplemental Application for an allocation of additional Tax-Exempt Bonds and 4% Tax Credits for Kawana Springs Apartments, CDLAC Application #CA-20-520, which is nearly construction complete. The \$4,456,125.00 request of additional tax-exempt bonds is an increase of 11.65% over the original \$38,250,000.00 award. This is the first and only supplemental request being made for this development. The additional bonds are required for the project to meet the 50% test due to significant cost increases since the start of construction in late 2020.

This request is a direct result of COVID-19, two extraordinary weather events causing "rain bombs" and the 20%+ inflationary events over the last several years. These unprecedented challenges, are the driving factors of the supplemental bond request for 11.65%, which exceeds the 10% threshold for Committee approval.

While the development has faced unexpected and unprecedented delays and challenges, it is scheduled to be complete in August and fully leased by the end of the year.

Regards,  
Corporation for Better Housing



---

Lori Koester  
Its Executive Director  
Managing General Partner for 500 Kawana Springs Rd., L.P.



**A Non-Profit, Affordable Housing & Service Provider**

1259 E. Thousand Oaks Blvd, Thousand Oaks CA 91362

PHONE (805) 496-4948

FAX (805) 497-1305

California Debt Limit Allocation Committee

Attn: Fiona Ma, CPA

CDLAC

901 P Street, Suite 213A

Sacramento, CA 95814

**RE: Rancho Sierra Senior Apartments Application No. 22-438 Supplemental Qualified Private Activity Bond Allocation Request**

Dear, Treasurer Ma,

Rancho Sierra Senior Apartments was originally awarded \$18,319,798 of Qualified Private Activity Bonds in Resolution No. 22-111, adopted on June 15, 2022. Following this, Many Mansions ("the Sponsor") received a supplemental allocation of \$1,372,702 from the 2023 Qualified Private Activity Bonds, bringing the total allocation to \$19,692,500, as per Resolution 23-103, adopted on February 6, 2023.

The Rancho Sierra Senior Apartments project, aimed at providing essential affordable housing for low-income seniors and seniors experiencing homelessness, has encountered unforeseen challenges that have significantly increased costs. These difficulties have jeopardized the project's timely completion and financial stability, necessitating additional bond financing.

We are now seeking a second supplemental bond allocation due to unforeseen events, including unknown existing subterranean utility infrastructure conditions that have escalated construction costs.

**Project Progress and Initial Developments**

The project commenced successfully with the securing of a construction loan on March 10, 2023, followed by the issuance of the Notice to Proceed to Cannon Constructors on April 19, 2023. The completion of a prototype unit for design review on April 1, 2023, and the initiation of construction on May 11, 2023, indicated a promising start.

Upon the discovery of non-conforming utility infrastructure omitted from the survey, the project experienced a 130-day delay. This delay was due to a conflict between the Camrosa Water District's existing specifications and future specifications required for compatibility with the County of Ventura's Lewis Road Campus Infrastructure Project. The technical jurisdiction to provide these specifications was the responsibility of the Water District, which deferred assignment to the County of Ventura. The County, responsible for inspections and sign-off, could not provide these specifications prior to the commencement of upgrades.

Upon resolution of the required specifications and an updated construction timeline, the project site began to receive the shipment of the modular structures on the adjacent staging parcel. Building permits were ultimately issued on October 10, 2023, 130 days beyond the original date, causing a considerable impact on extended overhead and general conditions. This, in turn, delayed the installation







## **A Non-Profit, Affordable Housing & Service Provider**

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of the modular structures into the rainy season, which historically runs between December through March.

### **Unanticipated Weather-Related Challenges**

Due to this 130-day delay, water protection of the modular structures became a significant concern for the Project's Development Team. Preparations were made to mitigate any challenges during the stacking of the structures and the installation of the permanent TPO roof. Despite the Team's best efforts, the project encountered significant setbacks beginning with a severe rainstorm on January 20, 2024. This storm inflicted substantial interior damage to the units due to considerable water infiltration.

### **Extensive Remediation Efforts**

In response to the storm damage, ATI Restoration LLC conducted a comprehensive moisture mapping assessment on February 12, 2024, which revealed elevated moisture levels and extensive water damage. Subsequently, Charles Taylor Environmental performed a detailed moisture assessment on February 19, 2024, confirming the necessity for extensive remediation work. The initial remediation estimate was \$589,067.09, with the complexity of the situation indicating further inevitable costs.

### **Impact of Subsequent Storm Events**

Despite enhanced waterproofing measures, a second major rainstorm occurred on March 23, 2024, causing additional water damage to the structures. This event exacerbated the remediation efforts and increased costs, resulting in a revised remediation estimate of \$1,227,138.33. The repeated water intrusion necessitated a comprehensive review of the building's waterproofing and structural integrity, further delaying progress and escalating expenses.

### **Compounding Costs and Delays**

The unanticipated weather events and subsequent remediation efforts have led to substantial project delays and increased costs. These challenges were further compounded by issues with the installation of windows by Factory OS, necessitating corrective actions and extending the project timeline. The water damage on both occasions was extensive, affecting all units and requiring immediate remediation and repair, including mold treatment, drywall remediation, electrical work, insulation, and painting.

The remediation work has concluded after the successful issuance of clearance certificates from Charles Taylor, and restoration work is currently ongoing alongside the General Contractor's construction activities. Both contractors are working strategically to minimize the impact on the Project's critical path. This situation has caused a serious financial strain on the project, and Many Mansions has provided the necessary financing to prevent further delays. The Development Team has been working tirelessly and diligently to structure a financial plan that will ensure the successful completion of this project.

### **Request for Supplemental Bond Financing**

The Rancho Sierra Senior Apartments project represents a critical lifeline for vulnerable seniors in need of safe, affordable housing. The added costs and delays have imposed an immense financial burden on Many Mansions due to the limited Builder's Risk coverage, specifically due to the stated policy sub-limit of \$750,000 for each of the loss dates described above, representing Builder's Risk Claim #01 and





**A Non-Profit, Affordable Housing & Service Provider**

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Builder’s Risk Claim #02. These sub-limits will provide \$1,500,000 of insurance proceeds, which are entirely inadequate to address the overall impact of the hard construction cost increase of \$6,869,939 alone. To address this financial gap, Many Mansions is requesting this supplemental bond financing to ensure we can successfully complete Rancho Sierra Senior Apartments and deliver these new units to our community.

To address the financial challenges without compromising the 50% test rule, we are seeking an additional allocation of supplemental tax-exempt bonds. **The total supplement request from the 2024 State Ceiling of Qualified Private Activity Bonds is \$6,055,500.**

**SCORING IMPACT**

There are no changes in the project that would impact the scoring of our submittal from the original application.

**CONSTRUCTION FINANCING**

The following sources will be used to fund construction:

Source	Amount
Construction Loan - Tax Exempt	\$ 25,748,000
Construction Loan - Taxable	\$ 15,644,055
County of Ventura PLHA	\$ 676,137
County of Ventura PLHA Accrued Deferred Interest	\$ 28,358
County of Ventura HOME	\$ 284,391
County of Ventura HOME Accrued Deferred Interest	\$ 12,349
Housing Trust Fund of Ventura County	\$ 4,430,975
Costs Deferred Until Conversion	\$ 1,455,422
Deferred Developer Fee	\$ 2,729,524
GP Capital Contribution	\$ 100
LP Capital Contribution	\$ 893,877
<b>Total Construction Period Sources</b>	<b>\$ 51,903,188</b>

***Tax-Exempt Bond Proceeds -- \$25,748,000***

JP Morgan Chase, as the private placement bond purchaser, has committed to a conventional construction loan in an amount not to exceed \$19,692,500. This existing commitment has a term of 25 months. Upon Committee approval of the requested supplement allocation JP Morgan Chase, as the private bond purchaser, will commit to a conventional construction loan in an amount not to exceed \$25,748,000 with a term of 32 months. The interest rate will be 7.170%. The loan shall be funded by the sale of tax-exempt bonds. The loan will function as a draw-down loan in which interest will only be paid on the outstanding portion of the loan. JP Morgan Chase has committed to providing the tax-exempt construction loan via their purchase of the tax-exempt bonds.

**These funds are committed to the project.**





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***Taxable Bond Proceeds -- \$15,644,055***

JP Morgan Chase, as the private placement bond purchaser, has committed to providing a conventional, taxable construction loan in an amount not to exceed \$10,158,500. This existing commitment has a term of 25 months. Upon Committee approval of the requested supplement allocation JP Morgan Chase, as the private bond purchaser, will commit to a conventional construction loan in an amount not to exceed \$15,644,055 with a term of 32 months. The interest rate will be 7.720%. The loan shall be funded by the sale of taxable bonds. The loan will function as a draw-down loan in which interest will only be paid on the outstanding portion of the loan. JP Morgan Chase has committed to provide the taxable construction loan via their purchase of the taxable bonds. The construction lender will require an interest reserve amount based on the fixed rate.

**These funds are committed to the project.**

***Low Income Housing Tax Credit (LIHTC) Equity -- \$893,877***

Low Income Housing Tax Credit (LIHTC) Equity in the amount of at least \$893,877 will be contributed by the investor limited partner during the construction period. The investor limited partner is U.S. Bancorp Community Development Corporation.

**These funds are committed to the project.**

***County of Ventura Permanent Local Housing Allocation (PLHA) -- \$676,137***

The County of Ventura Permanent Local Housing Allocation program has committed to providing a loan of \$676,137 with a term of 30 years, 3% interest rate and payable from residual receipts. These funds will be available during the construction loan period and will convert to permanent financing.

**These funds are committed to the project.**

***County of Ventura HOME -- \$284,391***

The County of Ventura HOME program has committed to providing a loan of \$284,391 with a term of 30 years, 3% interest rate and payable from residual receipts. These funds will be available during the construction loan period and will convert to permanent financing.

**These funds are committed to the project.**

***County of Ventura PLHA/ HOME Accrued/Deferred Interest -- \$40,707***

The County of Ventura funds (PLHA and HOME) will accrue interest during construction in the combined amount shown above. All the interest is accrued and deferred and payable as residual receipts.

**These funds are committed to the project.**

***Housing Trust Fund of Ventura County -- \$4,430,975***

The Housing Trust Fund of Ventura County has committed to providing a loan in the amount of \$4,430,975 with a term of 30 months, 3.0% interest rate. These funds will be available during the construction loan period.

**These funds are committed to the project.**

***Costs Deferred Until Construction Completion -- \$1,455,422***





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The Applicant will defer development costs estimated to be \$1,455,422 until the end of the construction period.

**These funds are committed to the project.**

***Deferred Developer Fee -- \$2,729,524***

The Applicant plans to defer \$2,729,524 of developer fee into operations.

**These funds are committed to the project.**

***GP Capital Contribution -- \$100***

The Applicant will contribute as a GP Capital Contribution in the amount of \$100.

**These funds are committed to the project.**

**PERMANENT FINANCING**

The following sources will be used to fund the total development costs:

Source	Amount
Permanent Loan	\$ 9,387,620
HCD - NPLH	\$ 6,398,736
County of Ventura PLHA	\$ 751,263
County of Ventura PLHA Accrued Deferred Interest	\$ 28,358
County of Ventura HOME	\$ 284,391
County of Ventura HOME Accrued Deferred Interest	\$ 12,349
Deferred Developer Fee	\$ 2,729,524
Capital Contribution – GP Developer Fee	\$ 1,976,174
Capital Contribution – GP Capital – State Credit Sale	\$ 4,383,453
Capital Contribution – GP Capital – Insurance Proceeds	\$ 1,500,000
<b><i>Limited Partner Net Equity</i></b>	<b>\$ 24,451,220</b>
<b><i>Total Permanent Period Sources</i></b>	<b>\$ 51,903,187</b>

***Tax-Exempt Permanent Loan -- \$9,387,620***

Upon completion of construction and achievement of stabilized operations the construction bonds will convert to permanent bonds through JP Morgan Chase. JP Morgan Chase will provide a tax-exempt permanent loan of \$9,387,620 at an estimated all in-interest rate of 5.420%. The loan term is 216 months with a 35-year amortization and a starting DCR of 1.15.

**These funds are committed to the project.**

***Limited Partner Net Equity -- \$24,451,220***

The investor limited partner, U.S. Bancorp Community Development Corporation, will contribute approximately \$24,451,220 equity proceeds to the project.

**These funds are committed to the project.**





## **A Non-Profit, Affordable Housing & Service Provider**

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### ***Capital Contribution – GP Capital – State Credit Sale -- \$4,383,453***

The investor limited partner, U.S. Bancorp Community Development Corporation, will contribute approximately \$4,383,453 equity proceeds to the project.

**These funds are committed to the project.**

### ***California Department of Housing and Community Development -- No Place Like Home Program \$6,398,736***

The California Department of Housing and Community Development (HCD) has committed to provide a loan of \$6,398,736 with a term of 55 years, 3% interest rate.

**These funds are committed to the project.**

### ***County of Ventura Permanent Local Housing Allocation (PLHA) -- \$751,263***

See description in construction financing above.

**These funds are committed to the project.**

### ***County of Ventura HOME -- \$284,391***

See description in construction financing above.

**These funds are committed to the project.**

### ***Accrued/Deferred Interest -- \$40,707***

The County of Ventura funds (PLHA and HOME) will accrue interest during construction in the combined amount shown above. All the interest is accrued and deferred and payable as residual receipts.

**These funds are committed to the project.**

### ***Deferred Developer Fee -- \$2,729,524***

The Applicant plans to defer \$2,729,524 of developer fee into operations. **These funds are committed to the project.**

### ***GP Capital Contribution -- \$1,976,174***

The Applicant will contribute as a GP Capital Contribution in the amount of \$1,976,174. **These funds are committed to the project.**

### ***GP Capital Contribution -- \$100***

The Applicant will contribute as a GP Capital Contribution in the amount of \$100. **These funds are committed to the project.**

### ***GP Capital – Insurance Proceeds -- \$1,500,000***

The Applicant will contribute as a GP Capital Contribution in the amount of \$1,500,000. **These funds are committed to the project.**

## **OPERATING SUBSIDIES**

### ***Housing Authority of the County of Ventura Project Based Section 8 Vouchers***





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All of the restricted 49 units of the development will be subsidized by HUD Project Based Section 8 vouchers administered by the Housing Authority of the County of Ventura (AHACV). Rents will be set at the County of Ventura's Fair Market Rents (Payment Standard), as shown in the commitment letter from AHACV. AHACV has committed to an initial Housing Assistance Payments (HAP) contract term of 20 years, as shown in their commitment letter. **These funds are committed to the project.**

Thank you for your consideration and support,

Douglas Menges

Executive Director

Office: 805-496-4948 x251

Direct: 818-699-5020





**AGENDA ITEM 9**

**Request to Extend the Bond  
Allocation Issuance Deadline for  
Qualified Residential  
Rental Project and Request to  
Waive Forfeiture of the  
Performance Deposit  
(Cal. Code Regs., tit. 4 §§5052,  
5100, 5132)**

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

*August 6, 2024*

**Request to Extend the Bond Allocation Issuance Deadline for  
Qualified Residential Rental Projects and Request to Waive Forfeiture of the Performance Deposit  
(Cal. Code Regs., tit. 4, §§ 5052, 5100, 5132)**

(Agenda Item No. 9)

**Action:**

Approve bond issuance deadline extension requests and waiver of the forfeiture of the performance deposit on listed projects.

**BACKGROUND:**

Pursuant to California Code of Regulations, title 4, section 5100, there are certain expirations date for issuing Qualified Residential Rental Project Bonds days depending on the circumstances at the time of allocation.

Per the resolutions for each project, if the bond allocation transferred to the applicant has not been issued by the issuance deadline, the applicant shall notify CDLAC and carryforward the allocation to the next approved project to be awarded a bond allocation in accordance with California Code of Regulations, title 4, Section 5133.

Per section 5051 of the CDLAC Regulations, an extension of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132 will result in forfeiture of the Project’s performance deposit to the extent that the performance deposit has not previously been forfeited.

**DISCUSSION**

The applicants for the projects below are requesting bond issuance deadline extensions and waivers of performance deposit forfeitures outside of the Executive Director’s authority. All the allocations for the projects were awarded on December 6, 2023; except for CA-24-553 Pacific Street Apartments Four which will be awarded at the August 6, 2024 Round 1 QRRP Meeting, and the supplementals for 801 E. 5<sup>th</sup> Street (CA-23-401, CA-23-679, CA-24-579) which were awarded on October 12, 2023, November 8, 2023 and May 31, 2024.

<b>Project No.</b>	<b>Project Name</b>	<b>Project Type</b>	<b>No. of Units</b>	<b>Allocation</b>	<b>Location</b>	<b>Original Issuance Deadline</b>	<b>Extension Requested</b>
CA-23-401, CA-23-679, CA-24-579	801 E. 5 <sup>th</sup> Street (Supplementals)	New Construction, Special Needs	95	\$6,900,000 and \$5,100,000 and \$3,954,282	Los Angeles	8/6/24	5 days



CA-23-612	West Harbor Park	New Construction, Non-Targeted	25	\$3,925,000	Vallejo	9/3/24	90 days
CA-23-646	Citrus Grove Apartments	Acquisition & Rehabilitation, Large Family	152	\$32,895,715	Rialto	9/16/24	90 days
CA-23-653	One San Pedro Phase I	New Construction, Large Family, ELI/VLI	47	\$22,460,305	Los Angeles	9/16/24	60 days
CA-23-656	Two Worlds Apartments	Acquisition & Rehabilitation, Non-Targeted	96	\$15,800,000	Los Angeles	9/16/24	45 days
CA-23-657	St. Andrews Arms & Second Avenue Apartments	Acquisition & Rehabilitation, Non-Targeted	64	\$12,900,000	Los Angeles	9/16/24	45 days
CA-23-659	Panorama View Apartments	Acquisition & Rehabilitation, Seniors	89	\$20,000,000	Los Angeles	9/16/24	45 days
CA-24-553	Pacific Street Apartments Four	New Construction, Non-Targeted	50	\$10,693,101	Rocklin	2/3/25	90 days

The applicants have submitted formal extension requests and the bond issuer and/or the project sponsor will speak on behalf of each project.



Monday, July 29, 2024

Elizabeth Selby  
Director, Affordable Housing Bond Program  
Development & Finance Division  
Housing Development Bureau

RE: Request for 5-Day Hardship Extension for 803 E. 5<sup>th</sup> St (23-109, 23-227 and 24-122)

Dear Mrs. Selby:

CRCD 5<sup>th</sup> Street LP respectfully requests an allocation expiration date extension of five (5) additional days from our current August 6th closing deadline due to unforeseen challenges per Section 5101 of the California Debt Limit Allocation Committee Regulations. This request applies to supplemental allocations under resolutions 23-109, 23-227, and 24-122. This would make our new mandatory closing date Tuesday, August 13, 2024.

Our project, 803 E. 5<sup>th</sup> St., has been impacted by uncontrollable and unforeseeable circumstances during the escrow closing process regarding the restructuring of the development's limited partnership and financing. We have been able to progress the closing to just a few remaining open items, but require more time to finalize the key elements of the limited partnership agreement given the complex nature of the exiting General Partner and the entering Administrative General Partner.

This makes it impossible for us to finalize the issuance of the supplemental bonds awarded under resolutions 23-109, 23-227, and 24-122 by the required August 6th, 2024, deadline.

Request for Waiver of Forfeiture of Performance Deposit

In addition to the request for an extension, we would also like to take this time to request a waiver of the forfeiture of our performance deposit. We believe that we have performed to the best of our abilities to push this project forward and are committing significant financial resources from our own operating capital to ensure a successful closing.

Should you have any questions, please contact Alejandro Martinez, (323) 842-4774 or email [alejandromartinez@crccdpartners.com](mailto:alejandromartinez@crccdpartners.com).

Sincerely,

A handwritten signature in blue ink that reads 'Alejandro Martinez'.

Alejandro Martinez  
President, CRCD Partners LLC

Ann Sewill, General Manager  
Tricia Keane, Executive Officer

**City of Los Angeles**



LOS ANGELES HOUSING DEPARTMENT  
1910 Sunset Blvd, Ste 300  
Los Angeles, CA 90026  
Tel: 213.808.8808

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Daniel Huynh, Assistant General Manager  
Anna E. Ortega, Assistant General Manager  
Luz C. Santiago, Assistant General Manager

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housing.lacity.org

**Karen Bass, Mayor**

July 29, 24

Marina Wiant, Interim Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

Re: 803 E 5<sup>th</sup> St (Supplemental Resolution No. 23-109, 23-227 & 24-122):

Request for 5- day Hardship Extension of Allocation Expiration date and a Waiver of the Forfeiture of the Performance Deposit and Negative Points

Dear Ms. Wiant:

On behalf of the sponsor for the 803 E. 5<sup>th</sup> St (the “Project”) and in accordance with Section 5101 of the California Debt Limit Allocation Committee (CDLAC) Regulations, the City of Los Angeles (the “City”) requests a five (5) days extension of the allocation expiration date from August 6, 2024 to August 13, 2024, and a waiver of the forfeiture of performance deposit and negative points.

The City’s request is based upon sponsor’s written request (attached) which is due to uncontrollable and unforeseeable circumstances.

The City and the project team are working diligently to resolve all outstanding matters in order to close financing and comply with CDLAC’s bond issuance deadline. In light of the foregoing, we respectfully request a 5-day extension of City’s bond closing deadline through August 13, 2024.

The City of Los Angeles very much appreciates your consideration of this request. Please indicate your approval (and/or additional conditions) under separate cover. If you have any questions related to this matter, you can contact Cecilia Rosales of my staff at (213) 808-8189.

Sincerely,

Georgina Tamayo  
Manager, Affordable Housing Bond Program

Attachments:

Sponsor Letter

**West Harbor Park Affordable Partners, LP  
550 S. California Ave, Suite 330  
Palo Alto, CA 94306  
650-833-0100**

June 20, 2024

Marina Wiant  
Executive Director  
California Debt Limit Allocation Committee  
901 P Street Suite 213A  
Sacramento, CA 95814

RE: Supplemental Allocation and Request for 90-day Extension - Resolution No. 23-255

**Request for 90-day Extension**

Klein Financial Corporation (the "Developer") respectfully requests a 90-day extension to the current CDLAC closing deadline of September 3, 2024. In addition, we request a waiver of any forfeiture of the performance deposit or assignment of any negative points to the Project Sponsor that could be imposed by this request. The project's costs have increased dramatically and we are restructuring the capital stack to achieve feasibility and if we are granted the supplemental allocation, then the project will need additional time to coordinate with its lender and investor.

Also, the project continues to work with its engineer, architect, contractor, and subcontractors to reduce costs with value engineering which need to be processed through the City of Vallejo.

**Supplemental Allocation (revised 40-unit project)**

The West Harbor Park property will consist of 122 residential units located in 3 new residential apartment buildings. 20% of the units will be restricted to tenants earning less than 50% AMI and will be owned by a separate partnership from the market rate units under the legal name of West Harbor Park Affordable Partners LP to be able to separately allocate the tax credits. The West Harbor Park Affordable Apartments project will consist of the 24 affordable units, plus one manager unit within the 122-unit West Harbor Park development

In August 2023, the partnership submitted a CDLAC application for only the 24 restricted units (20% set aside) to minimize the amount of bond allocation requested. The project was awarded a \$3,925,000 (**\$163,541/unit**) allocation on 12/6/23 and subsequently received a 90-day extension with a new issuance deadline of 9/3/24.

Construction and interest expense costs have increased dramatically and to partially offset these costs, we plan to convert 16 of the market rate units to tax credits units using the LIHTC income averaging rule to generate additional tax credit equity. To satisfy the 50% test on the revised 40-unit tax credit affordable property, the project submitted a supplemental allocation request for \$5,225,000 which equates to an overall CDLAC allocation per unit figure of **\$228,750/unit** which is a very efficient execution.

- Approximately \$2,700,000 of the supplemental request is for the original 24 units and;
- Approximately \$2,525,000 of the supplemental request is for the new 16 units

The gross amount of the supplemental request is relatively small, and we are creating 16 additional tax credit units. The increase requested is consistent with other, recent, supplemental requests that have been approved. For example, a property in Hollywood recently received a supplemental allocation of \$11,500,000 with a tax-exempt bond allocation of approximately \$510,000/unit. Another project in Los Angeles has received 2 supplemental allocations totaling approximately \$10,400,000 with a tax-exempt bond allocation of approximately \$660,000/unit.

Therefore, given the increase in costs, the requirement to satisfy the 50% test and the 66.67% increase in affordable units generated, we respectfully request approval of the supplemental allocation. **It is essential that the reviewers realize, there is no alternative mechanism – other than the Supplemental Request Process – to increase the number of affordable units in a project (consistent with the Mandate of the Committee to maximize the number of affordable units), once a project sponsor has received a bond allocation.** Note: The project is not receiving any state tax credits or other forms of government grants/subordinate loans and as part of our feasibility agreement with our equity partner, we agreed to increase the number of tax credit units.

**Supplemental Allocation (existing 24-unit project)**

If the supplemental request outlined above for the 40-unit project is not allowed, then we would like to request \$2,725,000 in supplemental tax-exempt bonds for the existing previously approved 24-unit project. This request is over 10% of the original bond allocation but below previously approved supplemental percentages (73.3% SUP% City of LA project) granted by the committee. As outlined above, the project's development costs have increased substantially and with the approved supplemental bond allocation, the project will finance 52.36% of the aggregate basis with tax-exempt bonds. With the supplemental allocation the total approved bonds would be \$6,650,000 (\$277,083/unit) which is at or below industry averages.

We have been working on this project since June 2019 and have incurred significant predevelopment costs and are hopeful that we can move forward now with the construction of 40 new affordable tax credit units; but, if the Committee elects not to approve the 40 unit application, we request that the increased allocation for the 24 unit application be approved. The time extension will be necessary in either case, since the finalization of the closing documents with our lender and investor must wait for the result of this hearing, to make the final adjustments and schedule the closing dates.

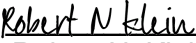
To the best of our recollection, in the past 45 years, Klein Financial Corporation has not requested a supplemental allocation. We appreciate your consideration of this request.

Sincerely,

West Harbor Park Affordable Partners, LP

By: West Harbor Park GP, LLC, its General Partner

By: Klein Financial Corporation, its Manager

DocuSigned by:  
By:   
Robert N. Klein, its President



July 23, 2024

VIA EMAIL

Marina Wiant  
Executive Director  
California Debt Limit Allocation Committee  
915 Capitol Mall, Room 311  
Sacramento, CA 95814

Re: Request for Extension (Citrus Grove Apartments)  
CDLAC Resolution 23-284 (Application 23-646)

Dear Ms. Wiant:

Please accept this letter as our request for the Committee to grant a 90-day extension to the above referenced Project's readiness deadline, currently set for September 16<sup>th</sup>, 2024. During a comprehensive site evaluation aimed at finalizing the project's scope, the sponsor's Vice President of Construction identified significant structural concerns. Initially, what appeared as localized wood rot on a building deck was, upon detailed inspection, found to be extensive damage. The unforeseen deterioration, primarily under decks and landings, represents \$1.3 million in critical life and safety repairs due to concealed wood rot. Further investigation revealed that water intrusion at the juncture of flashing and stucco, along with compromised waterproof deck coatings, had exacerbated the issue, remaining undetected until now.

The scope of these additional repairs has resulted in a financial shortfall of \$1.5 million. This unexpected gap promoted a reassessment with the sponsor's financial partners which took additional time to work through. The Project has since secured social enterprise funds to address the shortfall. The resultant delays have also led to concerns from Housing and Community Development (HCD) regarding meeting the impending deadline. Given the unforeseen severity and immediate necessity of these life and safety repairs, we are seeking an extension. The gravity of the situation and the critical nature of the repairs warrant prompt attention and action.

We respectfully request the Committee to consider granting a 90-day extension to the Project's CDLAC readiness deadline. In addition, we respectfully request a waiver of forfeiture of the performance deposit and assignment of negative points, as the circumstances were outside of the sponsor's control. Thank you very much for your consideration of this request. Please let me know if you require any additional information.

Sincerely,

Jon Penkower  
Managing Director



July 16, 2024

VIA EMAIL

Marina Wiant, Interim Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

Re: One San Pedro Phase I (aka 327 Harbor Apartments) - Resolution No. 23-290

Dear Ms. Wiant:

I am writing to request waiver of negative points and waiver of the forfeiture of performance deposit, and an additional sixty (60) day extension to issue the tax-exempt bonds for 327 Harbor Apartments (the "Project").

The Project is in the San Pedro area of the City of Los Angeles and is the first offsite phase of a proposed 1,600-unit mixed use community that will replace a 1940's public housing development know as Rancho San Pedro that consists of 478 housing units. The Housing Authority of the City of Los Angeles (HACLA) has partnered with National Community Renaissance of California (National CORE), Century Housing Corporation and The Richman Group (together the "Developer"), to demolish and replace the public housing units with new mixed finance residential units. The Developer has acquired the Project site and will be permit ready to begin construction this summer. HACLA will take title of the land prior to closing the construction financing and will provide a long-term ground lease on which the project will be built.

The Developer and HACLA applied in September 2023 for an allocation of QRRP tax-exempt private activity bonds and 4% federal tax credits and received an allocation in December 2023. The current deadline to issue the bonds is September 16<sup>th</sup>. HACLA, together with Developer, respectfully request a sixty (60) day extension until November 15, 2024, for the following reasons:

- As part of HUD's Rental Assistance Demonstration (RAD) application for the 7 RAD PBVs, the HUD office of Fair Housing and Equal Opportunity (FHEO) reviews the application for the proposed number of units (ADA units) available for the persons with disabilities, to verify that it complies with federal standards. As part of this review, the FHEO office determined that the number of ADA units required by the California Tax Credit Allocation Committee (TCAC) was not in compliance with federal regulations and issued a letter of disapproval on March 19th, 2024. Following the issuance of the letter, both the developer and HACLA engaged in communications with the FEHO office and TCAC staff to find a resolution, however these negotiations took approximately three months to resolve. HACLA was not able to submit the RAD application until the FEHO approved the housing plan for the project, HACLA received approval from the FHEO office on June 6th, 2024. The delayed RAD application submittal pushed back HUD's review of our RAD application, HUD's issuance of the RAD Conditional Commitment (RCC) and HUD's approval of all financing documents, therefore, further delaying the issuance of the bonds and financial closing process.



9692 Haven Avenue, Suite 100  
Rancho Cucamonga, CA 91730

[www.nationalcore.org](http://www.nationalcore.org)

*Together, we transform lives and communities*



- To maximize Project financing, we are utilizing a Fannie Mae MTEB structure where the tax-exempt bonds are being issued via a public sale with Fannie Mae credit enhancement rather than a private placement which was originally anticipated. Fannie will not provide its approval of the credit enhancement until HUD completes the RAD approval process and it then takes a few weeks to close after Fannie allows us to post the preliminary official statement. (We will be submitting an official request to CDLAC to amend the original bond allocation resolution to reflect this public offering structure.)

Based on the above item, which was unforeseen and outside of the Developer's control, we are requesting that CDLAC approve an additional 60-day extension.

Please let me know if you have any questions. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Raune". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Michael Raune  
President  
National Community Renaissance of California







**Build HOPE:** Investing in People and Place

July 16, 2024

Marina Wiant, Interim Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

**Re: One San Pedro Phase I (aka 327 Harbor Apartments) - Resolution No. 23-290**

Dear Ms. Wiant,

On behalf of the sponsor for One San Pedro Phase I (the “Project”), the Housing Authority of the City of Los Angeles (the “Applicant” or “HACLA”) requests a 60-day extension to the September 16, 2024, bond issuance deadline. We respectfully request extending the bond issuance deadline to November 15, 2024. We also request a waiver of negative points and a waiver of forfeiture of the performance deposit.

HACLA presents these requests in response to written notification (attached) received from the Project’s sponsor indicating that additional time is needed to address the following issues:

- The United States Department of Housing and Urban Development (“HUD”) Rental Assistance Demonstration (“RAD”) application needed to be reviewed and approved by HUD’s office of Fair Housing and Equal Opportunity (“FHEO”) regarding the proposed amount of ADA units available for persons with disabilities as required by federal regulations. The RAD application could not be submitted to HUD’s Office of Recapitalization for their approval until FHEO’s June 5, 2024 approval of the housing plan. This delay by FHEO pushed back HUD’s review of the RAD application, RAD Conversion Commitment (“RCC”) and the approval of all financing documents as well as the issuance of the bonds and closing process.
- For economic reasons, the Bonds are being issued via a public sale with Fannie Mae credit enhancement for the permanent series rather than via a private placement. From the time that Fannie allows to post the Preliminary Offering

Housing Authority of the City of Los Angeles

📍 2600 Wilshire Blvd., Los Angeles, CA 90057 📞 833-HACLA-4-U ✉ info@hacla.org 🌐 hacla.org

Statement (POS) to closing, about 3 extra weeks will be required. Fannie will not provide its approval until the RAD process has been completed with HUD.

One San Pedro Phase I is the critically important first step of a multi-phased and sequentially scheduled complete redevelopment of Rancho San Pedro. This redevelopment initiative will transpire across more than a dozen years and provide quality affordable housing to hundreds of residents. The 60-day bond issuance extension will greatly assist HACLA with keeping the overall Rancho San Pedro redevelopment initiative on schedule. HACLA very much appreciates your consideration of our request.

Please indicate your approval (and/or additional conditions) under separate cover. If you have any questions related to this matter, you can contact John Castanon at (213) 435-0167 / [John.castanon@hacla.org](mailto:John.castanon@hacla.org) or Francisco Lopez at (213) 513-3069 / [Francisco.lopez@hacla.org](mailto:Francisco.lopez@hacla.org).

Sincerely,



Jenny Scanlin  
Chief Development Officer

Attachment: Sponsor Letter



July 24, 2024

VIA EMAIL

Marina Wiant  
Executive Director  
California Debt Limit Allocation Committee  
915 Capitol Mall, Room 311  
Sacramento, CA 95814

Re: Requests for Extension  
(Two Worlds Apartments - Application 23-656)  
(St. Andrews Apartments - Application 23-657)  
(Panorama Apartments - Application 23-659)

Dear Ms. Wiant:

Please accept this letter as our request for the Committee to grant an additional 45-day extension to the each of the above referenced projects' readiness deadline of September 16, 2024.

As the sponsor was working diligently through all required approval items with HUD and LAHD, they have run into a few delays with summer schedules and an unexpected redesign on a seismic issue that needed to be addressed for final review and approval. This has now been completed and the team is moving the forward based on the minor redesigns for the buildings. Unfortunately, it has set them back in time and we would really appreciate the 45-day extension to finalize and close the financing on the properties so the needed rehabilitation of the buildings can commence.

We respectfully request the Committee to consider granting a 45-day extension to the Project's CDLAC readiness deadline. In addition, we respectfully request a waiver of forfeiture of the performance deposit and assignment of negative points.

Thank you very much for your consideration of this request. Please let me know if you require any additional information.

Sincerely,

Jon Penkower  
Managing Director



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2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

July 30, 2024

Marina Wiant  
Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Room 213A  
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC deadline extension for the Pacific Street Apartments Four Project (CDLAC Application No. 24-553)

Dear Ms. Marina Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 90-day CDLAC deadline extension for the Pacific Street Apartments Four Project. The Project is scheduled to be awarded allocation on August 6, 2024.

In anticipation of receipt of a bond award, we request an extension pursuant to Section 5101 of the CDLAC Regulations. The 9% portion of the project was submitted to TCAC in July. Preliminary indications are that it will receive an award this round. The readiness deadline for that portion of the project will be up to 194 days from the October TCAC meeting date.

Through this extension, we seek to establish the readiness deadline for the final 9% award as the governing readiness deadline. This is consistent with the proposed regulation changes to be considered at the August meeting – language added to Section 5100(b)(3)(i), if approved, will set the expiration date as the later of the deadline assigned by CDLAC or CTCAC.

Hybrid projects are an important aspect of the state's strategy to stretch limited 9% credits farther and allow for the creation of more affordable units. In order to be successful and efficient, the two components of the hybrid project are planned to close simultaneously.

The Pacific Street Apartments combined project will create 110 new homes for low-income individuals and families in Placer County. We respectfully request that you grant this extension in order to allow for an efficient implementation of this hybrid project.

This letter also requests a waiver of forfeiture of the performance deposit and negative points.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1221

Thank you for your consideration.

Sincerely,

John P. Stoecker  
Financial Advisor  
**California Municipal Finance Authority**



## **AGENDA ITEM 10**

**Request to Waive Forfeiture of the  
Performance Deposit and Negative  
Points for the Return of Allocation  
for Qualified Residential Rental  
Project (Cal. Code Regs., tit. 4,  
§§5052, 5230)**

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

*August 6, 2024*

**Request to Waive Forfeiture of the Performance Deposit and Negative Points for the Return of Allocation for Qualified Residential Rental Project**  
**(Cal. Code Regs., tit. 4, §§5052, 5230)**

(Agenda Item No. 10)

**Action:**

Consider the request to waive the forfeiture of the performance deposit for the Grisham Community Housing Project, application CA-23-640, following the return of the allocation.

**BACKGROUND:**

Pursuant to California Code of Regulations, title 4, section 5052, applicants bear the risk of forfeiting all or part of the performance deposit if the allocation is not used in accordance with the conditions and/or timeframes set forth in the CDLAC Resolution.

**DISCUSSION:**

The Grisham Community Housing Project received an allocation of \$13,192,000 on December 6, 2023, which was returned on June 3, 2024. The housing sponsor is requesting a waiver of the forfeiture of the performance deposit of \$65,960 and a waiver of negative points.

The bond issuer, California Municipal Finance Authority, or the project sponsor, Abode Communities will speak on behalf of the project.



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June 11, 2024

Ms. Marina Wiant  
Deputy Executive Director  
California Debt Limit Allocation Committee  
901 P Street, Room 213A  
Sacramento, CA 95814

Re: Requesting to Return Bond Allocation and waive the forfeiture of performance deposit and waive any negative points for Grisham Community Housing (CDLAC Application No. 23-640)

Dear Ms. Wiant:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request to return \$13,192,000 of private activity bond allocation and waive the forfeiture of performance deposit and waive any negative points for Grisham Community Housing (Resolution No. 23-278).

On December 6, 2023, Abode Communities received a Resolution from the California Debt Limit Allocation Committee transferring a portion of the 2023 State Ceiling on Qualified Private Activity Bonds for the development of the affordable housing project known as Grisham Community Housing ("Project"). Abode Communities recently received a bid from their General Contractor that was approximately \$8M over budget. The new construction estimate was so much higher than the original estimate that they are not able to address the current issues at the property. As a result, they have decided to cancel the project and return the allocation to CDLAC.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1266.

Very truly yours,

A handwritten signature in black ink, appearing to read "Benjamin Barker", written over a horizontal line.

Benjamin Barker  
CMFA



## **AGENDA ITEM 11**

**Request to Waive the Maximum Bond  
Allocation Amount (\$75,000,000) for  
Round 2 Qualified Residential Rental  
Project (Cal. Code Regs., tit. 4 §5232)**



**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

*August 6, 2024*

**Request to Waive the Maximum Bond Allocation Amount (\$75,000,000) for Round 2 Qualified Residential Rental Project (Cal. Code Regs., tit. 4 §5232)**

(Agenda Item No. 11)

**ACTION:**

Approve waiving the maximum bond allocation (\$75,000,000) amount for Qualified Residential Rental Projects (QRRP) that will apply in Round 2 of 2024. This does not guarantee the project(s) will be recommended for or awarded bond allocation.

**BACKGROUND:**

CDLAC regulation, California Code of Regulations, title 4, section 5232(a), limits the bond allocation to no more than \$75,000,000 for any proposed Qualified Residential Rental Project (QRRP) during a Competitive Application Process. Where a QRRP is located within one-fourth mile of another QRRP involving the same Project Sponsor or Related Party to the Project Sponsor, the Allocation amount, in the aggregate, cannot exceed \$75,000,000 within a calendar year.

Additionally, CDLAC regulation Section 5232(b) states:

“The Committee may waive the maximum allocation amount if the Committee determines that the demand for allocation for QRRPs is such that the maximum allocation amount is not warranted. An Applicant requesting an Allocation in excess of seventy-five million dollars (\$75,000,000) may seek a waiver from the Committee based on the following factors:

(1) The Qualified Residential Rental Project qualifies as an At-Risk Project [as defined in California Code of Regulations, title 4, section 5170]; or

(2) Documentation is provided in the Application indicating why a QRRP cannot be developed in phases at a \$75,000,000 level. The documentation must be specific and may include, but is not limited to, a site plan detailing the layout of the subject property, unit mix per stage of the phase, any unique features of the property which inhibits phasing, a description of infrastructure costs, and a cost breakdown by phases.”

**DISCUSSION:**

The projects below are requesting a waiver and meets the requirements pursuant to CDLAC regulation section 5232(b):

<b>APPLICATION NUMBER</b>	<b>NAME</b>	<b>TOTAL ALLOCATION</b>	<b>TIMEFRAME</b>
CA-TBD	Santa Monica Christian Towers	In Excess of \$75,000,000	Round 2 (FY2024 – August 27, 2024)

The applicant for Santa Monica Christina Towers has indicated that it is a proposed acquisition/rehabilitation high-rise project which includes 163 units in one 13-story building. The building is over 60 years old and will require substantial rehabilitation of all building systems which cannot be done in multiple phases. Because of the combined cost of the acquisition and substantial rehabilitation the applicant is requesting approval to the maximum bond allocation prior to their application submission.

Staff have determined that an approval of this waiver request will not impact the possible award of any other project.



# TSA HOUSING

June 27, 2024

Marina Wiant  
Executive Director  
California Debt Limited Allocation Committee  
901 P Street, Suite 213A  
Sacramento, CA 95814

Re: Santa Monica Christian Towers  
Santa Monica, Los Angeles, California  
Bond Allocation Greater Than \$75,000,000

Dear Ms. Wiant:

The Project Sponsor is requesting an exception to the \$75,000,000 allocation limit (Section 5232 of the CDLAC Regulations) for the proposed project known as "Santa Monica Christian Towers."

The project is applying for an allocation of Tax-Exempt Bonds and 4% Tax Credits in Round 2 FY2024 (August 27, 2024) and your approval of our exception request ahead of the application deadline would be greatly appreciated.

Santa Monica Christian Towers is a proposed acquisition/rehabilitation high-rise project comprised of 163 units in one 13-story building originally constructed in 1963 and designated for Seniors in the City of Santa Monica, County of Los Angeles. The project is located at 1233 6<sup>th</sup> Street, Santa Monica, CA 90401.

The rehabilitation of the project will include a seismic retrofit of the building as required by the City of Santa Monica's Mandatory Seismic Retrofit Requirements for Non-Ductile Concrete Buildings. The building is also over 60 years old and requires substantial rehabilitation of all building systems. The work cannot be done in phases because the project is a single structure. Combined, the cost of the acquisition, seismic retrofit and substantial rehabilitation will require us to request a bond allocation in excess of the \$75,000,000 allocation limit.

A substantial number of the units' affordability restrictions expire in 2028. This proposed acquisition/rehabilitation with bonds and 4% tax credits shall preserve affordability of this project long-term.

Thank you for your consideration.

Sincerely,

Jordan Pynes, President  
TSA Housing, Inc.



California Debt Limit Allocation Committee

## **AGENDA ITEM 12**

### **Public Comment**



California Debt Limit Allocation Committee

## **AGENDA ITEM 13**

### **Adjournment**