

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report**

**2024 First Round**

**May 15, 2024**

Elders' Place, located at Hostler Field Road in Hoopa, requested and is being recommended for a reservation of \$1,483,405 in annual federal tax credits to finance the new construction of 25 units of housing serving seniors with rents affordable to households earning 30%-60% of area median income (AMI). The project will be developed by Hoopa Valley Housing Authority and will be located in Senate District 2 and Assembly District 2.

The project will be receiving rental assistance in the form of a Housing Assistance Payment Agreement (HAP) from the Hoopa Valley Housing Authority (HVHA).

**Project Number** CA-24-001

**Project Name** Elders' Place  
Site Address: Hostler Field Road  
Hoopa, CA 95546  
County: Humboldt  
Census Tract: 9400.00

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total</b>
Requested:	\$1,483,405	\$0
Recommended:	\$1,483,405	\$0

**Applicant Information**

Applicant: Elders' Place LP  
Contact: Darcy Padilla  
Address: 172 Hostler Field Road  
Hoopa, CA 95546  
Phone: 530-625-4759  
Email: PadillaDC@hvha.us

General Partner(s) / Principal Owner(s): Hoopa Valley Housing Authority  
General Partner Type: Nonprofit  
Parent Company(ies): Hoopa Valley Housing Authority  
Developer: Hoopa Valley Housing Authority  
Investor/Consultant: RBC Community Investments  
Management Agent(s): Hoopa Valley Housing Authority  
Barker Management Inc.

**Project Information**

Construction Type: New Construction  
Total # Residential Buildings: 15  
Total # of Units: 25  
No. & % of Tax Credit Units: 25 100%  
Federal Set-Aside Elected: 40%/60%

**Information**

Set-Aside: Rural (Native American apportionment)  
Housing Type: Seniors  
Geographic Area: N/A  
CTCAC Project Analyst: Dylan Hervey

**55-Year Use / Affordability**

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percent of Required Affordable Units</u>
At or Below 30% AMI:	3	10%
At or Below 40% AMI:	4	15%
At or Below 50% AMI (Rural):	10	40%
At or Below 60% AMI:	8	30%

**Unit Mix**

20 1-Bedroom Units
5 2-Bedroom Units
<u>25 Total Units</u>

<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%	\$401
3 1 Bedroom	40%	\$581
9 1 Bedroom	50%	\$631
6 1 Bedroom	60%	\$731
1 2 Bedrooms	30%	\$522
1 2 Bedrooms	40%	\$702
1 2 Bedrooms	50%	\$852
2 2 Bedrooms	60%	\$952

**Project Cost Summary at Application**

Land and Acquisition	\$0
Construction Costs	\$16,347,056
Rehabilitation Costs	\$0
Construction Contingency	\$814,863
Relocation	\$0
Architectural/Engineering	\$866,044
Const. Interest, Perm. Financing	\$90,000
Legal Fees	\$72,500
Reserves	\$28,952
Other Costs	\$214,572
Developer Fee	\$600,000
Commercial Costs	\$0
<b>Total</b>	<b>\$19,033,987</b>

**Residential**

Construction Cost Per Square Foot:	\$768
Per Unit Cost:	\$761,359
True Cash Per Unit Cost*:	\$761,359

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Hoop Valley Housing Authority	\$7,166,747	Hoop Valley Housing Authority	\$7,166,747
Tax Credit Equity	\$11,867,240	Tax Credit Equity	\$11,867,240
		<b>TOTAL</b>	<b>\$19,033,987</b>

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

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$12,678,672
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$16,482,274
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$1,483,405
Approved Developer Fee (in Project Cost & Eligible Basis):	\$600,000
Investor/Consultant:	RBC Community Investments
Federal Tax Credit Factor:	\$0.80000

The “as if vacant” land value and the existing improvement value established at application, 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, unless a waiver has been granted for a purchase price not to exceed the sum of third party debt that will be assumed or paid off. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**Tie-Breaker Information**

First:	<b>Seniors</b>
Self-Score Final:	<b>76.350%</b>
CTCAC Final:	<b>76.350%</b>

**Significant Information / Additional Conditions**

Staff noted a per unit development cost of \$761,359. The applicant noted that the per unit cost is attributed to infrastructure and vertical construction costs.

The applicant has requested and been granted a waiver for equivalent access to management services under CTCAC Regulation Section 10325(f)(7)(J). Specifically, the existing Hoopa Valley Housing Authority (HVHA) employees will work from the HVHA office full time and HVHA will operate 24-hour security for all the units managed across the Hoopa Valley Reservation including Elders’ Place.

Per CTCAC Regulation Section 10325(f)(7)(J) 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.

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

**Local Reviewing Agency**

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

**Standard Conditions**

The applicant must submit all documentation required for a Carryover Allocation and any Readiness to Proceed Requirements elected. Failure to provide the documentation at the time required may result in rescission of the Credit reservation and cancellation of a carryover allocation.

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 performance deposit and allocation 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.

The applicant must ensure the project meets all Additional Threshold Requirements of the proposed project. If points were awarded for service amenities, the applicant will be required to provide such amenity or amenities identified in the application, for a minimum period of fifteen years and at no cost to the tenants. Applicants that received increases (exceptions to limits) in the threshold basis limit under Section 10327(c)(5) must submit the certification required by Section 10322(i)(2) at project completion.

<b>Points System</b>	<b>Max. Possible Points</b>	<b>Requested Points</b>	<b>Points Awarded</b>
<b>Owner / Management Characteristics</b>	<b>10</b>	<b>10</b>	<b>10</b>
General Partner Experience	7	7	7
Management Experience	3	3	3
<b>Housing Needs</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Service Amenities</b>	<b>10</b>	<b>10</b>	<b>10</b>
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES			
Other Services Specialist, minimum ratio of 1 FTE to 600 bedrooms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 60 hrs/yr instruction	5	5	5
<b>Lowest Income</b>	<b>52</b>	<b>52</b>	<b>52</b>
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
<b>Readiness to Proceed</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Miscellaneous Federal and State Policies</b>	<b>2</b>	<b>2</b>	<b>2</b>
Smoke Free Residence	2	2	2
<b>Total Points</b>	<b>94</b>	<b>94</b>	<b>94</b>

**Please Note:** If more than the maximum Site Amenity points were requested, not all amenities may  
**DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-**