

**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%