

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Project Staff Report

2024 Second Round

October 2, 2024

The 101, located at 101 E Pacific Coast Highway (1814 Pine Avenue) in Long Beach, requested and is being recommended for a reservation of \$2,249,775 in annual federal tax credits to finance the new construction of 51 units of housing serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The project will be developed by Jamboree Housing Corporation and will be located in Senate District 33 and Assembly District 69.

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

Project Number CA-24-154

Project Name The 101
Site Address: 101 E Pacific Coast Highway (1814 Pine Avenue)
Long Beach, CA 90806
County: Los Angeles
Census Tract: 5730.02

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$2,249,775	\$0
Recommended:	\$2,249,775	\$0

Applicant Information

Applicant: 101 Housing Partners LP
Contact: Tish Kelly
Address: 17701 Cowan Avenue, Suite 200
Irvine, CA 92614
Phone: 949.214.2350
Email: tkelly@jamboreehousing.com

General Partner(s) / Principal Owner(s): JHC-East PCH LLC
General Partner Type: Nonprofit
Parent Company(ies): Jamboree Housing Corporation
Developer: Jamboree Housing Corporation
Investor/Consultant: Bank of America
Management Agent(s): Quality Management Group, Inc.

Project Information

Construction Type: New Construction
Total # Residential Buildings: 1
Total # of Units: 52
No. & % of Tax Credit Units: 51 100%
Federal Set-Aside Elected: 40%/60%
Federal Subsidy: National Housing Trust Fund (NHTF) / HUD Section 8 Project-based Vouchers (51 Units - 100%)

Information

Set-Aside: N/A
 Housing Type: Special Needs
 Type of Special Needs: Homeless
 Average Targeted Affordability of Special Needs Project Units: 30.00%
 % of Special Need Units: 51 units 100.00%
 Geographic Area: Balance of Los Angeles County
 CTCAC Project Analyst: Jacob Couch

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:	51	80%

Unit Mix

51 1-Bedroom Units
<u>1 2-Bedroom Units</u>
52 Total Units

<u>Unit Type & Number</u>	<u>2024 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
51 1 Bedroom	30%	\$303
1 2 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,160,000
Construction Costs	\$23,710,533
Rehabilitation Costs	\$0
Construction Contingency	\$2,334,167
Relocation	\$0
Architectural/Engineering	\$1,725,000
Const. Interest, Perm. Financing	\$3,024,791
Legal Fees	\$300,000
Reserves	\$697,941
Other Costs	\$2,384,028
Developer Fee	\$2,800,000
Commercial Costs	\$0
Total	\$39,136,460

Residential

Construction Cost Per Square Foot:	\$487
Per Unit Cost:	\$752,624
True Cash Per Unit Cost*:	\$748,725

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Bank of America	\$18,800,000	Bank of America	\$3,760,647
HCD: NHTF	\$13,500,000	HCD: NHTF	\$13,500,000
City of Long Beach: CDBG ¹	\$2,100,000	City of Long Beach: CDBG ¹	\$2,100,000
Deferred Costs	\$787,695	Deferred Developer Fee	\$202,770
Deferred Developer Fee	\$1,600,000	Tax Credit Equity	\$19,573,043
Tax Credit Equity	\$2,348,765	TOTAL	\$39,136,460

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

¹ Community Development Block Grant

Determination of Credit Amount(s)

Requested Eligible Basis:	\$19,230,770
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$25,000,001
Applicable Rate:	9.00%
Total Maximum Annual Federal Credit:	\$2,249,775
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,800,000
Investor/Consultant:	Bank of America
Federal Tax Credit Factor:	\$0.87000

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:	Special Needs
Self-Score Final:	83.711%
CTCAC Final:	83.711%

Significant Information / Additional Conditions

Staff noted a per-unit cost of \$748,725. Factors impacting the per unit cost include prevailing wage requirements, a possible vapor barrier, and constructing four stories of Type IV on a Type III podium.

The proposed rent does not include a utility allowance. The owner will pay for all utilities.

Local Reviewing Agency

The Local Reviewing Agency, City of Long Beach, has completed a site review of this project and strongly supports this project.

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.

Points System	Max. Possible Points	Requested Points	Points Awarded
Owner / Management Characteristics	10	10	10
General Partner Experience	7	7	7
Management Experience	3	3	3
Housing Needs	10	10	10
Site Amenities	15	15	15
Within ½ mile of transit, service every 30 min, 25 units/acre density	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3
Within 1 mile of public library	2	2	2
Within ½ mile of a neighborhood market of at least 5,000 sf	3	3	3
Special Needs project within ½ mile of facility serving tenant population	3	3	3
Within 1 mile of medical clinic or hospital	2	2	2
Within ½ mile of a pharmacy	2	2	2
Service Amenities	10	10	10
SPECIAL NEEDS, SRO HOUSING TYPES			
Case Manager, minimum ratio of 1 FTE to 100 bedrooms	5	5	5
Service Coordinator/Other Services Specialist, min. ratio 1 FTE to 360 bdrms	5	5	5
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	5	5	5
Lowest Income	52	52	52
Basic Targeting	50	50	50
Deeper Targeting – at least 10% of Low Income Units @ 30% AMI or less	2	2	2
Readiness to Proceed	10	10	10
Miscellaneous Federal and State Policies	2	2	2
Revitalization Area Project	2	2	2
Total Points	109	109	109

Please Note: If more than the maximum Site Amenity points were requested, not all amenities may have been scored and/or verified.

DO NOT RELY ON SCORING IN THIS COMPETITIVE CYCLE FOR FUTURE APPLICATIONS. ALL RE-APPLICATIONS ARE REVIEWED WITHOUT RELIANCE ON PAST SCORING.