

**CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
December 11, 2024**

JFM Villas Family Apartments, located at 47155 Van Buren Street in Indio on a 5.52 acre site, requested and is being recommended for a reservation of \$3,688,281 in annual federal tax credits and \$12,499,192 in total state tax credits and \$39,835,945 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 31 one-bedroom units, 34 two-bedroom units, 27 three-bedroom units, and 8 four-bedroom units, serving families with rents affordable to households earning 30%-60% of area median income (AMI). The construction is expected to begin in May 2025 and be completed in November 2026. The project will be developed by The Coachella Valley Housing Coalition and will be located in Senate District 18 and Assembly

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-24-638

Project Name JFM Villas Family Apartments
Site Address: 47155 Van Buren Street
Indio, CA 92201
County: Riverside
Census Tract: 495.01

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$3,688,281	\$12,499,192
Recommended:	\$3,688,281	\$12,499,192

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

Tax-Exempt Bond Allocation
Recommended: \$39,835,945

CTCAC Applicant Information
CTCAC Applicant/CDLAC Sponsor: The Coachella Valley Housing Coalition
Contact: Mary Ann Ybarra
Address: 45701 Monroe Street
Indio, Ca 92201
Phone: 760-347-3157
Email: maryann.ybarra@cvhc.org

Bond Financing Information
CDLAC Applicant/Bond Issuer: California Municipal Finance Authority
Bond Counsel: Anzel Galvan LLP
Private Placement Purchaser: Bank of America, N.A.

Development Team

General Partner(s) or Principal Owner(s): JFM Villas Family LLC
 General Partner Type: Nonprofit
 Parent Company(ies): The Coachella Valley Housing Coalition
 Developer: The Coachella Valley Housing Coalition
 Investor/Consultant: Community Economics
 Management Agent: Hyder & Company

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 1
 Total # of Units: 100
 No. / % of Low Income Units: 99 100.00%
 Average Targeted Affordability: 39.80%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (25 Units - 25%)

Information

Housing Type: Large Family
 Geographic Area: Inland Empire Region
 State Ceiling Pool: New Construction
 Set Aside: N/A
 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:	23	23%
40% AMI:	59	60%
50% AMI:	13	13%
60% AMI:	4	4%

Unit Mix

31 1-Bedroom Units
 34 2-Bedroom Units
 27 3-Bedroom Units
 8 4-Bedroom Units

 100 Total Units

<u>Unit Type & Number</u>	<u>2024 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
6 1 Bedroom	30%	\$576
3 1 Bedroom	40%	\$769
19 1 Bedroom	40%	\$769
2 1 Bedroom	50%	\$961
1 1 Bedroom	60%	\$1,153
7 2 Bedrooms	30%	\$691
5 2 Bedrooms	40%	\$922
18 2 Bedrooms	40%	\$922
3 2 Bedrooms	50%	\$1,152
1 2 Bedrooms	60%	\$1,383
3 3 Bedrooms	30%	\$799
4 3 Bedrooms	30%	\$799
8 3 Bedrooms	40%	\$1,066
4 3 Bedrooms	40%	\$1,066
3 3 Bedrooms	50%	\$1,332
2 3 Bedrooms	50%	\$1,332
2 3 Bedrooms	60%	\$1,599
1 4 Bedrooms	30%	\$891
2 4 Bedrooms	30%	\$891
2 4 Bedrooms	40%	\$1,189
3 4 Bedrooms	50%	\$1,486
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$2,212,200
Construction Costs	\$52,404,731
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$3,135,284
Soft Cost Contingency	\$200,000
Relocation	\$0
Architectural/Engineering	\$1,498,000
Const. Interest, Perm. Financing	\$8,270,542
Legal Fees	\$160,000
Reserves	\$749,452
Other Costs	\$4,003,394
Developer Fee	\$4,500,000
Commercial Costs	\$0
Total	\$77,133,603

Residential

Construction Cost Per Square Foot:	\$482
Per Unit Cost:	\$771,336
Estimated Hard Per Unit Cost:	\$457,613
True Cash Per Unit Cost*:	\$728,142
Bond Allocation Per Unit:	\$398,359
Bond Allocation Per Restricted Rental Unit:	\$402,383

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
BoA ¹ : Tax-Exempt	\$39,835,945	BoA ¹ : Tax-Exempt	\$5,029,600
BoA ¹ : Recycled Tax-Exempt	\$21,721,146	HCD: MHP	\$19,142,450
HCD: FWHG	\$6,612,672	HCD: FWHG	\$6,612,672
Tax Credit Equity	\$4,319,388	General Partner Equity	\$2,000,000
		Deferred Developer Fee	\$1,300,000
		Tax Credit Equity	\$43,048,881
		TOTAL	\$77,133,603

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

¹Bank of America

Determination of Credit Amount(s)

Requested Eligible Basis:	\$70,928,477
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$92,207,021
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,688,281
Total State Credit:	\$12,499,192
Approved Developer Fee (in Project Cost & Eligible Basis):	\$4,500,000
Federal Tax Credit Factor:	\$0.89607
State Tax Credit Factor:	\$0.80000

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-24-638 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).

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
Total Points	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: 87.767%