

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

The Crawford, located at 1130 Harvey Way in Roseville on a 10.88 acre site, requested and is being recommended for a reservation of \$5,664,712 in annual federal tax credits and \$59,000,000 of tax-exempt bond cap to finance the new construction of 265 units of housing, consisting of 262 restricted rental units and 3 unrestricted manager's units. The project will have 66 one-bedroom units, 132 two-bedroom units, and 67 three-bedroom units, serving families with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in December 2024 and be completed in April 2027. The project will be developed by USA Multi-Family Development, Inc. 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-24-652

Project Name The Crawford
 Site Address: 1130 Harvey Way
 Roseville, CA 95747
 County: Placer
 Census Tract: 213.25

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$5,664,712	\$0
Recommended:	\$5,664,712	\$0

Tax-Exempt Bond Allocation
 Recommended: \$59,000,000

CTCAC Applicant Information
 CTCAC Applicant/CDLAC Sponsor: Roseville Harvey 715, LP.
 Contact: Darren Bobrowsky
 Address: 3200 Douglas Boulevard, Suite 200
 Roseville, CA 95661
 Phone: (916) 865-3981
 Email: dbobrowsky@usapropfund.com

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): USA Roseville Harvey 715, L.P.
 Riverside Charitable Corporation
 General Partner Type: Joint Venture
 Parent Company(ies): USA Properties Fund, Inc.
 Riverside Charitable Corporation
 Developer: USA Multi-Family Development, Inc.
 Investor/Consultant: WNC
 Management Agent: USA Multifamily Management, Inc.

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 11
 Total # of Units: 265
 No. / % of Low Income Units: 262 100.00%
 Average Targeted Affordability: 59.99%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (8 Units - 3%)

Information

Housing Type: Large Family
 Geographic Area: Capital Region
 CDLAC Project Analyst: Sarah Lester
 CTCAC Project Analyst: Franklin Cui

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	27	10%
50% AMI:	64	24%
60% AMI:	26	10%
70% AMI*:	145	55%

*CTCAC restricted only

Unit Mix

66 1-Bedroom Units
132 2-Bedroom Units
67 3-Bedroom Units
<u>265 Total Units</u>

Unit Type & Number	2024 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
2 1 Bedroom	30%	\$663
4 1 Bedroom	30%	\$663
16 1 Bedroom	50%	\$1,105
7 1 Bedroom	60%	\$1,326
37 1 Bedroom	70%	\$1,547
4 2 Bedrooms	30%	\$795
3 2 Bedrooms	30%	\$795
16 2 Bedrooms	50%	\$1,326
7 2 Bedrooms	60%	\$1,591
35 2 Bedrooms	70%	\$1,856
7 2 Bedrooms	30%	\$795
16 2 Bedrooms	50%	\$1,326
6 2 Bedrooms	60%	\$1,591
36 2 Bedrooms	70%	\$1,856
2 3 Bedrooms	30%	\$919
5 3 Bedrooms	30%	\$919
16 3 Bedrooms	50%	\$1,532
6 3 Bedrooms	60%	\$1,839
37 3 Bedrooms	70%	\$2,145
2 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$288,534
Construction Costs	\$63,705,731
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$6,207,646
Soft Cost Contingency	\$865,206
Relocation	\$0
Architectural/Engineering	\$2,583,459
Const. Interest, Perm. Financing	\$12,312,415
Legal Fees	\$100,000
Reserves	\$1,155,921
Other Costs	\$14,267,743
Developer Fee	\$14,209,145
Commercial Costs	\$0
Total	\$115,695,800

Residential

Construction Cost Per Square Foot:	\$300
Per Unit Cost:	\$436,588
Estimated Hard Per Unit Cost:	\$203,904
True Cash Per Unit Cost*:	\$394,456
Bond Allocation Per Unit:	\$222,642
Bond Allocation Per Restricted Rental Unit:	\$504,274

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Citi: Tax-Exempt	\$59,000,000	Citi	\$29,885,000
Citi: Taxable	\$6,100,000	Safehold: Ground Lease	\$18,599,900
Recycled Tax-Exempt	\$3,000,000	Net Operating Income	\$2,766,561
Safehold: Ground Lease	\$18,599,900	Deferred Developer Fee	\$11,164,870
Net Operating Income	\$395,977	Solar Tax Credit Equity	\$602,916
Deferred Costs	\$15,548,466	Tax Credit Equity	\$52,676,553
Tax Credit Equity	\$7,991,920	TOTAL	\$115,695,800

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

Determination of Credit Amount(s)

Requested Eligible Basis:	\$108,936,779
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$141,617,813
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$5,664,712
Approved Developer Fee (in Project Cost & Eligible Basis):	\$14,209,145
Federal Tax Credit Factor:	\$0.92991

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	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
Total Points	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: 97.597%