

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

Victory Boulevard, located at 17100 Victory Boulevard in Los Angeles on a 1.84 acre site, requested and is being recommended for a reservation of \$7,014,614 in annual federal tax credits and \$19,999,198 in total state tax credits and \$78,697,978 of tax-exempt bond cap to finance the new construction of 194 units of housing, consisting of 192 restricted rental units and 2 unrestricted manager's units. The project will have 44 studio units, 52 one-bedroom units, 50 two-bedroom units, and 48 three-bedroom units, serving families with rents affordable to households earning 30%-80% of area median income (AMI). The construction is expected to begin in June 2025 and be completed in April 2027. The project will be developed by Linc Housing Corporation and will be located in Senate District 27 and Assembly District 46.

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

**Project Number** CA-24-735  
**Project Name** Victory Boulevard  
**Site Address:** 17100 Victory Boulevard  
Los Angeles, CA 91316  
**County:** Los Angeles  
**Census Tract:** 9800.24

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$7,014,614	\$19,999,198
Recommended:	\$7,014,614	\$19,999,198

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

**Tax-Exempt Bond Allocation**  
Recommended: \$78,697,978

**CTCAC Applicant Information**  
CTCAC Applicant/CDLAC Sponsor: Linc Housing Corporation  
Contact: Anders Plett  
Address: 3590 Elm Avenue  
Long Beach, CA 90807  
Phone: 562-684-1100  
Email: aplett@linchousing.org

**Bond Financing Information**  
CDLAC Applicant/Bond Issuer: HACLA  
Bond Counsel: Hawkins, Delafield & Wood LLP  
Private Placement Purchaser: Citibank, N.A.

## Development Team

General Partner(s) or Principal Owner(s): Linc Victory Blvd, LLC  
Victory Boulevard Apartments LLC

General Partner Type: Nonprofit

Parent Company(ies): Linc Housing Corporation  
La Cienega LOMOD, Inc.

Developer: Linc Housing Corporation

Investor/Consultant: California Housing Partnership

Management Agent: National Community Renaissance

## Project Information

Construction Type: New Construction

Total # Residential Buildings: 2

Total # of Units: 194

No. / % of Low Income Units: 192 100.00%

Average Targeted Affordability: 44.44%

Federal Set-Aside Elected: 40%/60% Average Income

Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Contract  
(162 Units - 85%)

## Information

Housing Type: Large Family

Geographic Area: City of Los Angeles

State Ceiling Pool: New Construction

Set Aside: Homeless Set Aside

Homeless Set Aside Units: 87

CDLAC Project Analyst: Anthony Wey

CTCAC Project Analyst: Sabrina Yang

## 55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	97	51%
50% AMI:	66	34%
80% AMI*:	29	15%

\*CTCAC restricted only

## Unit Mix

44 SRO/Studio Units

52 1-Bedroom Units

50 2-Bedroom Units

48 3-Bedroom Units

194 Total Units

<u>Unit Type &amp; Number</u>	<u>2024 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
44 SRO/Studio	30%	\$728
43 1 Bedroom	30%	\$780
5 2 Bedrooms	30%	\$936
5 3 Bedrooms	30%	\$1,081
32 2 Bedrooms	50%	\$1,560
34 3 Bedrooms	50%	\$1,803
9 1 Bedroom	80%	\$2,080
11 2 Bedrooms	80%	\$2,496
9 3 Bedrooms	80%	\$2,885
2 2 Bedrooms	Manager's Unit	\$0

### **Project Cost Summary at Application**

Land and Acquisition	\$8,190,818
Construction Costs	\$93,134,912
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$4,657,037
Soft Cost Contingency	\$953,896
Relocation	\$0
Architectural/Engineering	\$2,090,611
Const. Interest, Perm. Financing	\$17,248,161
Legal Fees	\$648,328
Reserves	\$1,364,789
Other Costs	\$3,601,614
Developer Fee	\$17,595,184
Commercial Costs	\$0
<b>Total</b>	<b>\$149,485,350</b>

### **Residential**

Construction Cost Per Square Foot:	\$462
Per Unit Cost:	\$770,543
Estimated Hard Per Unit Cost:	\$410,784
True Cash Per Unit Cost*:	\$710,774
Bond Allocation Per Unit:	\$405,660
Bond Allocation Per Restricted Rental Unit:	\$482,810

### **Construction Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$78,697,978
CitiBank: Taxable	\$38,626,360
HACLA <sup>1</sup>	\$750,000
Deferred Costs	\$5,505,958
Deferred Developer Fee	\$11,595,185
General Partner Equity	\$100
Tax Credit Equity	\$14,309,770

### **Permanent Financing**

<u>Source</u>	<u>Amount</u>
CitiBank: Tax-Exempt	\$53,805,000
HACLA <sup>1</sup>	\$750,000
Deferred Developer Fee	\$11,595,185
General Partner Equity	\$99
Tax Credit Equity	\$83,335,066
<b>TOTAL</b>	<b>\$149,485,350</b>

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

<sup>1</sup>Housing Authority of the City Los Angeles

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$134,896,414
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$175,365,338
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$7,014,614
Total State Credit:	\$19,999,198
Approved Developer Fee (in Project Cost & Eligible Basis):	\$17,595,184
Federal Tax Credit Factor:	\$0.93713
State Tax Credit Factor:	\$0.88000

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**

Staff noted a per unit development cost of \$710,744. The applicant noted that the per unit cost is attributed to the requirement of prevailing wage payments and the project being fully electric.

**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	10
Site Amenities	10	10	10
Service Amenities	10	10	10
Cost Containment	12	12	12
Negative Points	No Maximum		0
<b>Total Points</b>	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:** 102.381%