

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

Tampico Motel Conversion, located at 120 South State College Boulevard and 2016 East Center Street in Anaheim on a 0.51 acre site, requested and is being recommended for a reservation of \$1,122,797 in annual federal tax credits and \$13,105,723 of tax-exempt bond cap to finance the new construction & adaptive reuse of 32 units of housing, consisting of 31 restricted rental units and 1 unrestricted manager's unit. The project will have 31 studio units, 1 one-bedroom unit, serving special needs tenants with rents affordable to households earning 30% of area median income (AMI). The rehabilitation is expected to begin in June 2025 and be completed in September 2026. The project will be developed by Jamboree Housing Corporation and will be located in Senate District 34 and Assembly District 68.

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

Project Number CA-24-757

Project Name Tampico Motel Conversion
 Site Address: 120 South State College Boulevard and 2016 East Center Street
 Anaheim, CA 92806
 County: Orange
 Census Tract: 864.02

Tax Credit Amounts	Federal/Annual	State/Total
Requested:	\$1,122,797	\$0
Recommended:	\$1,122,797	\$0

Tax-Exempt Bond Allocation
 Recommended: \$13,105,723

CTCAC Applicant Information
 CTCAC Applicant/CDLAC Sponsor: Center Housing Partners LP
 Contact: Victoria Rodriguez
 Address: 17701 Cowan Avenue, Suite 200
 Irvine, CA 92614
 Phone: 949-214-2325
 Email: vrodriguez@jamboreehousing.com

Bond Financing Information
 CDLAC Applicant/Bond Issuer: Anaheim Housing Authority
 Bond Counsel: Stradling, Yocca, Carlson & Rauth
 Private Placement Purchaser: Banner Bank

Development Team
 General Partner or Principal Owner: JHC-Center LLC
 General Partner Type: For Profit
 Parent Company: Jamboree Housing Corporation
 Developer: Jamboree Housing Corporation
 Investor/Consultant: Boston Financial
 Management Agent: Quality Management Group

Project Information

Construction Type: New Construction & Adaptive Reuse
 Total # Residential Buildings: 2
 Total # of Units: 32
 No. / % of Low Income Units: 31 100.00%
 Average Targeted Affordability: 12.85%
 Federal Set-Aside Elected: 40%/60%
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers
 (31 Units - 100%)

Information

Housing Type: Special Needs
 Geographic Area: Orange County
 State Ceiling Pool: New Construction
 Set Aside: N/A
 CDLAC Project Analyst: Erin Deblaquiere
 CTCAC Project Analyst: Ruben Barcelo

55-Year Use / Affordability

<u>Aggregate Targeting</u>	<u>Number of Units</u>	<u>Percentage of Affordable Units</u>
30% AMI:	31	100%

Unit Mix

31 SRO/Studio Units
<u>1 1-Bedroom Units</u>
32 Total Units

<u>Unit Type & Number</u>	<u>2024 Rents Targeted % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
31 SRO/Studio	30%	\$355
1 1 Bedroom	Manager Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$5,120,000
Construction Costs	\$10,581,500
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,026,000
Soft Cost Contingency	\$579,640
Relocation	\$0
Architectural/Engineering	\$675,000
Const. Interest, Perm. Financing	\$1,698,231
Legal Fees	\$300,000
Reserves	\$852,411
Other Costs	\$2,155,308
Developer Fee	\$2,944,000
Commercial Costs	\$0
Total	\$25,932,090

Residential

Construction Cost Per Square Foot:	\$958
Per Unit Cost:	\$810,378
Estimated Hard Per Unit Cost:	\$286,375
True Cash Per Unit Cost*:	\$642,013
Bond Allocation Per Unit:	\$409,554
Bond Allocation Per Restricted Rental Unit:	\$422,765

Construction Financing		Permanent Financing	
Source	Amount	Source	Amount
Banner Bank: Tax-Exempt	\$13,105,723	Banner Bank: Tax-Exempt	\$1,951,058
Banner Bank: Taxable	\$694,277	Anaheim Housing Authority (AHA)	\$4,838,145
AHA: HHAP ¹	\$1,822,960	AHA: HHAP ¹	\$2,430,614
Orangewood Foundation	\$750,000	Orangewood Foundation	\$750,000
Seller Carryback	\$5,120,000	Seller Carryback	\$5,120,000
Deferred Costs	\$1,696,472	Deferred Developer Fee	\$267,662
Deferred Developer Fee	\$1,060,597	General Partner Equity	\$694,000
General Partner Equity	\$694,000	Tax Credit Equity	\$9,880,611
Tax Credit Equity	\$988,061	TOTAL	\$25,932,090

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

¹Homeless Housing, Assistance and Prevention

Determination of Credit Amount(s)

Requested Eligible Basis:	\$18,047,089
130% High Cost Adjustment:	Yes
Requested Eligible Basis (Acquisition):	\$4,611,500
Applicable Fraction:	100.00%
Qualified Basis:	\$23,461,216
Qualified Basis (Acquisition):	\$4,611,500
Applicable Rate:	4.00%
Maximum Annual Federal Credit, Rehabilitation:	\$938,337
Maximum Annual Federal Credit, Acquisition:	\$184,460
Total Maximum Annual Federal Credit:	\$1,122,797
Approved Developer Fee (in Project Cost & Eligible Basis):	\$2,944,000
Federal 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

This project will include the adaptive reuse of an existing 34-room motel first built in the 1960s with an addition completed in the 1980s. The buildings are currently vacant. Upon completion, the project will provide 31 LIHTC units and 1 manager unit.

The project will restrict 31 (100%) of the units to serve special needs tenants consisting of transition age youth.

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

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: 106.531%