CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
December 8, 2021

Villa Oakland, located at 2116 Brush Street in Oakland, requested and is being recommended for a reservation of $2,287,420 in annual federal tax credits and $12,580,888 in total state tax credits to finance the new construction of 104 units of housing serving special needs tenants with rents affordable to households earning 30-60% of area median income (AMI). The project will be developed by OakBrook Housing and will be located in Senate District 9 and Assembly District 18.

Project Number CA-21-739

Project Name Villa Oakland
Site Address: 2116 Brush Street
Oakland, CA 94612 County: Alameda
Census Tract: 4027.00

Tax Credit Amounts	**Federal/Annual**	**State/Total** *
Requested:	$2,287,420	$12,580,888
Recommended:	$2,287,420	$12,580,888

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

Applicant Information

Applicant:	2116 Brush, L.P.
Contact:	Elizabeth Brady
Address:	2116 Brush Street Oakland, CA 94612 County: Alameda
Phone:	415-235-6225
Email:	elizabeth@oakbrookpartners.com

General Partner(s) or Principal Owner(s):	2116 Brush LLC JSCO Brush, LLC Covenant House California
General Partner Type:	Joint Venture
Parent Company(ies):	2116 Brush LLC The John Stewart Company Covenant House
Developer:	OakBrook Housing
Bond Issuer:	California Municipal Finance Agency
Investor/Consultant:	Enterprise Housing Credit Investments LLC
Management Agent:	The John Stewart Company

Project Information

Construction Type:	New Construction
Total # Residential Buildings:	1
Total # of Units:	105
No. / % of Low Income Units:	104 100.00%
Federal Set-Aside Elected:	40%/60%
Federal Subsidy:	Tax-Exempt

Information

Housing Type:	Special Needs
Geographic Area:	East Bay Region
TCAC Project Analyst:	Brett Andersen

55-Year Use / Affordability

Aggregate Targeting Number of Units		Percentage of Affordable Units
30% AMI:	12	12%
40% AMI:	41	39%
60% AMI:	51	49%

Unit Mix

45	SRO/Studio Units
25	1-Bedroom Units
20	2-Bedroom Units
15	3-Bedroom Units
105	Total Units

Unit Type & Number		2021 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
27	SRO/Studio	40%	$959
14	1 Bedroom	40%	$1,027
6	SRO/Studio	60%	$1,438
20	2 Bedrooms	60%	$1,849
14	3 Bedrooms	60%	$2,137
12	SRO/Studio	30%	$719
11	1 Bedroom	60%	$1,541
1	3 Bedrooms	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$15,000
Construction Costs	$26,188,863
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$2,173,535
Soft Cost Contingency	$150,000
Relocation	$0
Architectural/Engineering	$2,623,599
Const. Interest, Perm. Financing	$3,480,727
Legal Fees	$460,574
Reserves	$297,050
Other Costs	$3,812,753
Developer Fee	$5,656,400
Commercial Costs	$0
Total	**$44,858,501**

Residential

Construction Cost Per Square Foot:	$326
Per Unit Cost:	$427,224
True Cash Per Unit Cost*:	$391,033

Construction Financing

Source	Amount
Citi Community Capital - TE Bonds	$22,634,000
Citi Community Capital - Taxable	$6,203,553
Citi Community Capital - B-bonds	$7,000,000
Reserves to be funded at Conversion	$243,467
Deferred Developer Fee	$3,800,000
Tax Credit Equity	$4,977,481

Permanent Financing

Source	Amount
Citi Community Capital - TE Bonds	$1,680,000
Citi Community Capital - Recycled	$7,000,000
Deferred Developer Fee	$3,800,000
Tax Credit Equity	$32,378,501
TOTAL	**$44,858,501**

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

Determination of Credit Amount(s)

Requested Eligible Basis:	$43,988,848
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$57,185,502
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$2,287,420
Total State Credit:	$12,580,888
Approved Developer Fee (in Project Cost & Eligible Basis):	$5,656,400
Investor/Consultant:	Enterprise Housing Credit Investments LLC
Federal Tax Credit Factor:	$0.91500
State Tax Credit Factor:	$0.91000

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.

Significant Information / Additional Conditions
This Project's annual per unit operating expense total is below the TCAC published per unit operating minimums of $6,900. As allowed by TCAC Regulation Section 10327(g)(1), TCAC approves an annual per unit operating expense total of $6,170 on agreement of the permanent lender and equity investor.

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.

TCAC 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 TCAC.

The applicant must pay TCAC a reservation fee calculated in accordance with regulation. Additionally, TCAC 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 TCAC 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, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, 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 TCAC 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 TCAC in its final feasibility analysis.

CDLAC Additional Conditions

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the TCAC placed in service review, TCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.