CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Qualified Private Activity Tax-Exempt Bond Project
September 1, 2026

The project, 451 4th Street, located at 451 4th Street in San Jose on a 0.52 acre site, requested and is being recommended for a reservation of $7,090,774 in annual federal tax credits and $39,176,819 of tax-exempt bond cap to finance the new construction of 372 units of housing, consisting of 368 restricted rental units and 4 unrestricted manager's units. The project will have 24 studio units, 308 one-bedroom units, and 40 two-bedroom units, serving tenants with rents affordable to households earning 30%-70% of area median income (AMI). The construction is expected to begin in February 2027 and be completed in January 2029. The project will be developed by American Housing Company 1 and will be located in Senate District 15 and Assembly District 25.

Project Number	CA-26-655
Project Name	451 4th Street
Site Address:	451 4th Street San Jose, CA 95112
County:	Santa Clara
Census Tract:	5009.01

Tax Credit Amounts

	Federal/Annual	State/Total
Requested:	$7,090,774	$0
Recommended:	$7,090,774	$0

Tax-Exempt Bond Allocation

Recommended:	$39,176,819

CTCAC Applicant Information

CTCAC Applicant/CDLAC Sponsor:	American Housing Company 1
Contact:	Jeremy Harris
Address:	411 2nd Street Oakland, CA 94607
Phone:	(858) 449-5270
Email:	jeremy@owow.com

Bond Financing Information

CDLAC Applicant/Bond Issuer:	California Municial Finance Authority
Bond Counsel:	Jones Hall, A Professional Law Corporation

Development Team

General Partners / Principal Owners:	American Housing Company 1 Central Valley Coalition for Affordable Housing
General Partner Type:	Joint Venture
Parent Companies:	American Housing Company 1 Central Valley Coalition for Affordable Housing
Developer:	American Housing Company 1
Investor/Consultant:	Hudson Housing Capital LLC
Management Agent:	Aperto Property Management

Project Information

Construction Type:	New Construction	
Total # Residential Buildings:	1	
Total # of Units:	372	
No. / % of Low Income Units:	368	100.00%
Average Targeted Affordability:	59.95%	
Federal Set-Aside Elected:	40%/60% Average Income	
Federal Subsidy:	Tax-Exempt	

Information

Housing Type:	Non-Targeted
Geographic Area:	Bay Area Region
State Ceiling Pool:	New Construction
Set Aside:	N/A
Project Analyst:	Mena Barase

55-Year Use / Affordability

Aggregate Targeting	Number of Units	Percentage of Affordable Units
30% AMI:	37	10%
50% AMI:	48	13%
60% AMI:	126	34%
70% AMI*:	157	43%

*CTCAC restricted only

Unit Mix

24	SRO/Studio Units
308	1-Bedroom Units
40	2-Bedroom Units
372	Total Units

Unit Type & Number		2025 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
24	SRO/Studio	30%	$1,055
9	1 Bedroom	30%	$1,130
48	1 Bedroom	50%	$1,884
90	1 Bedroom	60%	$2,261
36	1 Bedroom	60%	$2,261
24	1 Bedroom	70%	$2,638
99	1 Bedroom	70%	$2,638
4	2 Bedrooms	30%	$1,357
34	2 Bedrooms	70%	$3,164
2	2 Bedrooms	Manager’s Unit	$0
2	1 Bedroom	Manager’s Unit	$0

Project Cost Summary at Application

Land and Acquisition	$6,445,650
Construction Costs	$94,759,628
Rehabilitation Costs	$0
Construction Hard Cost Contingency	$4,830,713
Soft Cost Contingency	$352,127
Relocation	$0
Architectural/Engineering	$2,600,000
Const. Interest, Perm. Financing	$20,931,529
Legal Fees	$545,000
Reserves	$2,130,804
Other Costs	$6,217,491
Developer Fee	$17,786,238
Commercial Costs	$0
Total	**$156,599,180**

Residential

Construction Cost Per Square Foot:	$338
Per Unit Cost:	$420,966
Estimated Hard Per Unit Cost:	$222,891
True Cash Per Unit Cost*:	$389,282
Bond Allocation Per Unit:	$105,314
Bond Allocation Per Restricted Rental Unit:	$185,672

Construction Financing

Source	Amount
JLLREC[1]: Tax-Exempt	$39,176,819
JLLREC[1]: Taxable	$77,718,824
Deferred Costs	$7,518,166
Deferred Developer Fee	$11,786,238
Tax Credit Equity	$20,399,133

Permanent Financing

Source	Amount
JLLREC[1]: Tax-Exempt	$88,086,749
Deferred Developer Fee	$11,786,238
Tax Credit Equity	$56,726,192
TOTAL	**$156,599,180**

*Less Donated Land, Seller Carryback Loans, Waived Fees, and Deferred Developer Fee
[1]JLL Real Estate Capital

Determination of Credit Amount(s)

Requested Eligible Basis:	$136,361,162
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	$177,269,511
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	$7,090,774
Approved Developer Fee (in Project Cost & Eligible Basis):	$17,786,238
Federal Tax Credit Factor:	$0.80000
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.

Significant Information / Additional Conditions
The project's 3-month operating reserve is less than the amount required under regulation section 10327(c)(7)(B) by $46. Under regulation section 10327(a) initial application errors of $100,000 or less shall be deemed covered by the contingency line item. However, at the submission of the next updated CTCAC application required by CTCAC, and all subsequent submissions to CTCAC, including the placed-in-service submission for the issuance of the IRS 8609 forms, the applicant must fund the 3-month operating reserve at a level that meets the requirement of regulation section 10327(c)(7)(B).

Resyndication and Resyndication Transfer Event: None.

Standard Conditions
The applicant shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 25% 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 and the terms of the bond and tax credit award as presented in the application and summarized in this staff report. CTCAC will verify the project complied with all terms of the award at placed-in-service review.

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).

CA-26-655 / 451 4th Street

Points System	Max. Possible New Const.	Max. Possible Rehab.	Points Requested	Points Awarded
Acquisition/Rehabilitation Project Priorities	**0**	**20**	**0**	**0**
New Construction Density and Local Incentives	**10**	**0**	**10**	**10**
Project density is at least 100 bedrooms/net acre	10	0	10	10
Exceeding Minimum Income Restrictions	**20**	**20**	**20**	**20**
Tax Credit Units: 10% @ <=30% AMI & 10% @ <=50% AMI	20	20	20	20
Exceeding Minimum Rent Restrictions	**10**	**10**	**10**	**10**
Average targeted affordability is 29% below market comparables	10	10	10	10
General Partner & Management Company	**10**	**10**	**10**	**10**
General Partner Experience	7	7	7	7
Management Company Experience	3	3	3	3
Housing Needs	**10**	**0**	**10**	**10**
Readiness to Proceed	**10**	**10**	**10**	**10**
Access to Opportunity	**10**	**0**	**9**	**9**
10% @ 30% AMI, 10% @ 50% AMI	9	0	9	9
Service Amenities	**10**	**10**	**10**	**10**
LARGE FAMILY, SENIOR, AT-RISK HOUSING TYPES; NON-TARGETED				
Adult ed/health & wellness/skill bldg classes, min. 84 hrs/yr instruction	7	7	7	7
Health & wellness services and programs, minimum 60 hrs per 100 bdrms	3	3	3	3
SPECIAL NEEDS, SRO HOUSING TYPES; NON-TARGETED				
Cost Containment	**12**	**12**	**12**	**12**
Project eligible basis is 58% less than the CDLAC adjusted TBL; 1 pt per %	12	12	12	12
Site Amenities	**10**	**10**	**10**	**10**
Within ⅓ mile of transit, service every 30 min, 25 units/acre density	7	7	7	7
Within ½ mile of public park or community center open to general public	3	3	3	3
Within ½ mile of public library	3	3	3	3
Within ½ mile of a full-scale grocery/supermarket of at least 25,000 sf	5	5	5	5
Within 1 mile of an adult education campus or community college	3	3	3	3
Within ½ mile of medical clinic or hospital	3	3	3	3
Within 1 mile of a pharmacy	1	1	1	1
Total Points	**112**	**102**	**111**	**111**

Tie Breaker: 278.283%